

# ANNUAL REPORT

To Governor Jennifer M. Granholm  
2007



State of Michigan

Office of Financial & Insurance Regulation  
Ken Ross, Commissioner

Department of Labor & Economic Growth  
Keith W. Cooley, Director

**Michigan Office of Financial and Insurance Regulation**  
**Annual Report**

**For the Year Ending December 31, 2007**

*A report to Governor Jennifer M. Granholm*

**TABLE OF CONTENTS**

	<u>Page</u>
<b>OFIR Mission Statement</b> .....	2
<b>Message from the Commissioner</b> .....	3
<b>Organization Chart</b> .....	4
 <b>Reports of the Divisions</b>	
Narrative explanation of the distinctions between the offices .....	5
Office of the Commissioner.....	8
Human Resources/Budget Division .....	8
Office of General Counsel .....	12
Policy Division.....	24
Office of Financial Evaluation	
Bank and Trust Division .....	28
Credit Union Division.....	31
Enterprise Monitoring Division .....	36
Mortgage Examination and Investigation Section.....	42
Supervisory Affairs & Insurance Monitoring Division .....	46
Office of Policy, Conduct and Consumer Assistance	
Consumer Services Division.....	51
Health Plans Division .....	55
Regulatory Compliance Division.....	58
 <b>Corporate Section (appendixes)</b>	
Appendix A - List of Commissioners .....	69
Appendix B – Bank & Trust Consolidated Balance Sheets and BIDCO Statistics ...	70
Appendix C – Credit Union Statistical Information .....	75
Appendix D – Insurance Company Activity.....	81
Entity Type Definitions .....	86
Top 20 Writers.....	89
Recapitulation.....	92
Domestic Regulated Entities .....	93
Alien Regulated Entities.....	96
Foreign Regulated Entities .....	98
Appendix E – Receivership Statistical Information.....	130



## Michigan Office of Financial and Insurance Regulation

Toll free: 877-999-6442

Fax: 517-335-4978

[www.michigan.gov/OFIR](http://www.michigan.gov/OFIR)

### MISSION

The mission of the Michigan Office of Financial and Insurance Regulation is to grow Michigan by creating a regulatory climate that promotes consumer protection and education and ensures the financial services industry is safe, sound, and entitled to the public trust.

### GOALS

- ✓ Educate, empower and protect consumers
- ✓ Ensure institutional solvency, safety, and soundness; while maintaining a regulatory environment that fosters a competitive financial services industry
- ✓ Foster public confidence in the industries, institutions, and individuals coming under our purview
- ✓ Ensure that industries, institutions, and individuals comply with applicable laws and rules
- ✓ Make health care coverage more accessible and affordable
- ✓ Develop, empower, and retain a 21<sup>st</sup> century workforce
- ✓ Make home and auto insurance coverage more accessible and affordable



[www.michigan.gov/ofir](http://www.michigan.gov/ofir)

*OFIR uses the web site and electronic communication as our primary method of communicating with the people we serve. Consumers without electronic access or with special needs can get information from OFIR by calling us toll-free at 1-877-999-6442. If you would like to see specific information on the web site, please share your suggestions with any OFIR staff member.*

*We invite you to visit the OFIR web site often!*



JENNIFER M. GRANHOLM  
GOVERNOR

STATE OF MICHIGAN  
OFFICE OF FINANCIAL AND INSURANCE REGULATION  
DEPARTMENT OF LABOR & ECONOMIC GROWTH  
KEITH W. COOLEY, DIRECTOR

KEN ROSS  
COMMISSIONER

## **2007 Office of Financial and Insurance Regulation Annual Report to Governor Jennifer M. Granholm**

The Annual Report, presented to Governor Granholm and prepared pursuant to Section 238 of the Michigan Insurance Code of 1956, 1956 PA 218, MCL 500.238 and Section 2108 of the Michigan Banking Code of 1999, 1999 PA 276, MCL 487.12108, is a valuable reference for information about regulated entities engaged in the business of insurance, banking and securities in Michigan. It is more than just a statistical report, however. We offer updates about each area of the agency, a summary of legislative activity, and descriptions of changes in the status of entities we regulate.

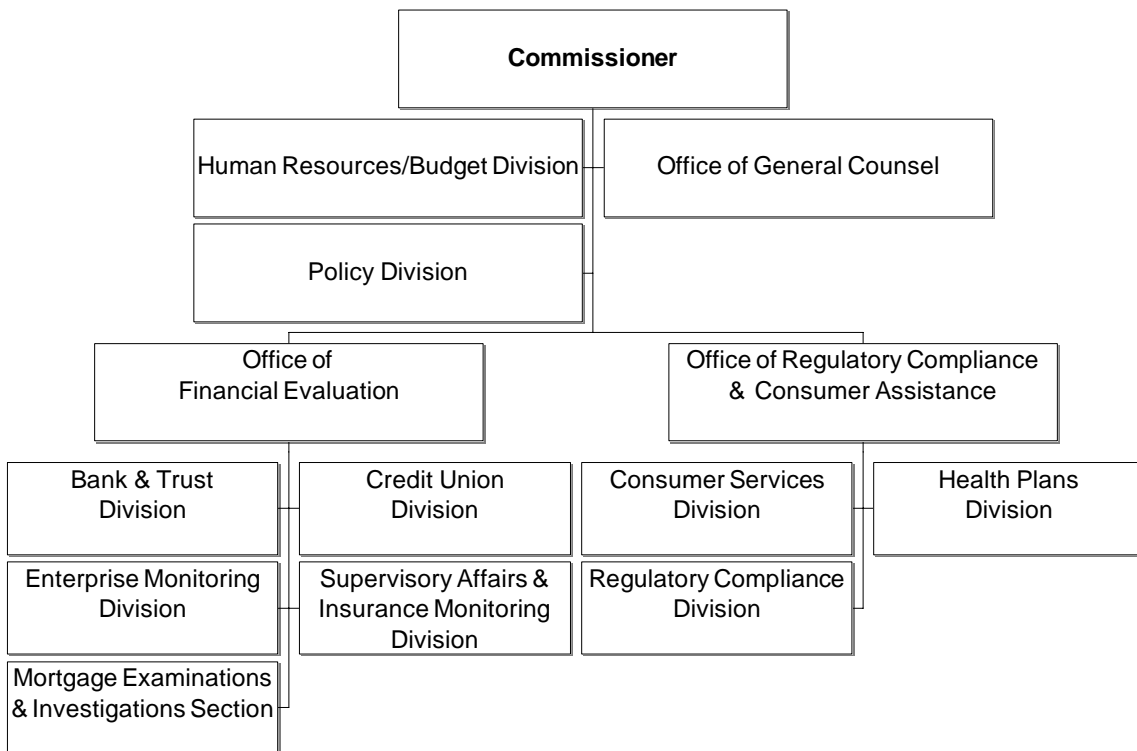
On February 1, 2008, Governor Granholm signed Executive Order 2008-02. The order reorganized the Office of Financial and Insurance Services (OFIS), and changed the official name to the Office of Financial and Insurance Regulation (OFIR). The order went into effect April 6, 2008 at 12:01 a.m.

This annual report is also available on the Office of Financial and Insurance Regulation (OFIR) web site at [www.michigan.gov/OFIR](http://www.michigan.gov/OFIR) under "Publications."

Street/Overnight Delivery Address: 611 W. OTTAWA STREET, 3<sup>rd</sup> FLOOR, LANSING, MICHIGAN 48933  
Mailing Address: P.O. BOX 30220, LANSING, MICHIGAN 48909-7720  
[www.michigan.gov](http://www.michigan.gov) • TOLL FREE (877) 999-6442 LOCAL (517) 373-0220



## Michigan Office of Financial & Insurance Regulation



*Current organization charts and additional information can be found on the OFIR web site at [www.michigan.gov/OFIR](http://www.michigan.gov/OFIR) or toll free at 877-999-6442.*

## REPORTS OF THE DIVISIONS



### **Michigan Office of Financial and Insurance Regulation (OFIR)**

OFIR dedicates itself to providing excellent customer service and effectively regulating the financial institutions, lending, insurance, and securities industries.

The entities that OFIR regulates include, but are not limited to: Blue Cross Blue Shield, 29 HMOs, 139 state-chartered banks and savings banks, 224 credit unions, approximately 1,600 insurance companies, 1,806 investment advisers, 2,108 securities broker-dealers, 8,204 consumer finance licensees and registrants, 185,448 insurance licensees and 119,700 securities agents. OFIR is part of the Department of Labor and Economic Growth and is primarily fee-funded, requiring minimal public tax dollars for its regulatory and consumer assistance activities.

The following text reports on the activities of each of the OFIR divisions based on the organizational chart from the previous page. As with the organizational chart, you will find that the reports are divided into two sections – the Office of Financial Evaluation and the Office of Policy, Conduct, and Consumer Assistance. Human Resources/Budget Division, Office of General Counsel and the Policy Division functions report directly to the commissioner on matters relating to budget, human resources, state vehicle services, contracts and purchasing, technology, legal and enforcement matters, and OFIR strategic action plan monitoring.

#### **Office of the Commissioner**

- The Office of General Counsel provides attorney services to the agency in nine major areas: enforcement actions; formal hearings; research and advice; orders, rules, and the bulletins; health benefits claims; liaison with the Office of the Attorney General; Freedom of Information Act; State Employees Retirement System; and special projects.
- The Policy Division is responsible for working with the Michigan legislature to develop laws that effectively regulate the financial services industry, while protecting Michigan consumers.
- Human Resources/Budget Division functions include budget, human resources, state vehicle services, Contracts and Purchasing, technology, and OFIR Strategic Action Plan monitoring.

## **Office of Financial Evaluation**

- The Bank and Trust Division is responsible for the regulation, examination, and supervision of state-chartered banks, savings banks, trust banks, and BIDCOs.
- The Credit Union Division is responsible for the regulation, examination, and supervision of Michigan state-chartered credit unions.
- The Enterprise Monitoring Division is responsible for: processing applications for new state-chartered financial institutions, mergers, acquisitions, and changes in corporate structure; the financial analysis of selected domestic insurance companies, primarily those with a diversified national or international presence; and the on-site examinations of insurance companies, to ensure they are financially safe, reliable, and entitled to public confidence. The Division is also responsible for securities regulation, which includes reviewing securities offerings; licensing or registering securities broker-dealers, investment advisers, and agents; and conducting securities-related investigations and examinations.
- The Mortgage Examination and Investigation Section is responsible for examining and investigating the activities of entities licensed by OFIR to make, broker or service residential mortgage loans in Michigan.
- The Supervisory Affairs and Insurance Monitoring Division is primarily responsible for the financial analysis of insurance entities, both domestic and foreign. The Division is also responsible for monitoring troubled insurance entities, including entities under supervision, seizure, rehabilitation or liquidation and market regulation of managed care entities.

## **Office of Regulatory Compliance and Consumer Assistance**

- The Consumer Services Division is responsible for all consumer assistance activities, including complaint handling, consumer outreach programs, and the OFIR web site. The Division is responsible for market conduct reviews and investigations of insurance entities. In addition, this Division oversees the Communication Center which serves as the initial point of contact for all incoming calls and visitors. The Consumer Services Division also is responsible for matters relating to facilities and telecommunications.
- The Health Plans Division is responsible for conducting the external appeals for HMOs, BCBSM, and insurers as well as the handling of complaints and inquiries regarding HMOs and BCBSM providers. The Health Plans Division is responsible for most health-insurance related consumer assistance, including all complaints and inquiries concerning Blue Cross Blue Shield of Michigan and health maintenance organizations. The division is also responsible for all non-financial regulation of BCBSM, health insurance, long-term care and Medicare Supplemental insurance, and

life insurance as well as Multiple Employer Welfare Arrangements (MEWAs). Rate regulation of health maintenance organizations also falls under the responsibility of the Health Plans Division.

- The Regulatory Compliance Division is responsible for the licensing of insurance agents and agencies (including the continuing education program), adjusters, counselors, solicitors, risk retention groups, purchasing groups, third party administrators, mortgage brokers, lenders and servicers, deferred presentment providers, money transmitters, motor vehicle installment sellers and sales finance companies, direct loan companies, and other consumer finance providers. It is also responsible for the investigation and examination of the activities under the consumer finance statutes, except for mortgage examinations. It also reviews property and casualty insurance rule, rate, and policy form contract filings and carries out a host of activities related to determining the viability of such products/materials even when they are not filed.

## **Office of the Commissioner**



### **Human Resources/Budget Division**

#### **MISSION**

The Human Resources/Budget Division assists the Commissioner, management and staff totaling 289.5 employees in recruiting, empowering and retaining a diverse 21<sup>st</sup> century workforce. Human Resources/Budget Division staff perform as OFIR liaisons with agencies within the departments of Labor & Economic Growth, Management & Budget, Information Technology, Civil Service, Office of the Attorney General, legislative offices, the Office of the Governor and with a myriad of outside vendors, contractors, trade associations and Michigan citizens. The services provided include administration and management of activities including:

- Human resources management
- Labor relations
- Purchasing, accounts receivable/payable
- Contracting
- Budget development and monitoring
- Revenue
- Technology
- Record management
- Travel and state vehicle assignments

The Human Resources/Budget Division staff includes 6 full-time employees, 1 accounting assistant, 4 analysts, a student assistant and a director. This program consolidates support services for OFIR at a minimal cost to Michigan taxpayers and regulated entities. Administrative support services enable line division managers to utilize their respective resources more effectively in achieving their goals and objectives.

#### **CORE VALUES**

- Excellent customer service
- Innovative solutions
- Teamwork
- Confidentiality
- Accountability

## **MILESTONES**

- Manage the OFIR cost allocation plan
- Assisted in rewriting the Insurance Producer On-Line License and Electronic Payment application project
- FY 2008 budget development
- Assisted in various OFIR fee assessments and completed analysis of budgetary impact of proposed legislation
- Completed statutory and boilerplate reports
- Oversaw the issuance and monitoring of over 44 complex large contracts and numerous smaller contracts totaling over \$20,000,000.00
- Hired 18 new employees in OFIR
- Coordinated step increases for 12 OFIR employees, reclassification of 20 employees and the promotion of 7 employees.
- Coordinated training for all managers provided by DLEG OHR
- OFIR Enterprise System Steering Committee formed
- OFIR Enterprise System Project Concept / Charter documents finalized
- OFIR Enterprise System kickoff meeting held with all project team members
- Replaced out of warranty laptops for examiners in the following areas: Credit Union, Deferred Presentment / Money Transmitter, Mortgage Examination and Investigation and Insurance Examination
- Completed M/1 Migration of remaining field staff (Credit Union, Deferred Presentment / Money Transmitter, Mortgage Examination and Investigation, Insurance Examination and Securities)
- Phase I high-level requirements and the proposed conceptual model (Enterprise System Project) have been documented for the Horizon Spotlight to take place in 6/08
- Project charter has been approved to implement online processing of Resident / Non-Resident Individual Insurance Producer Applications, address change requests and related fees through the National Insurance Producer Registry (NIPR) gateway effective 10/1/08.

## ACTIVITY SUMMARY

### Revenue and Budget

#### **Fiscal Year 06- 07 Budget (10-01-06 to 09-30-07)**

<u>Account</u>	<u>Authorized</u>	<u>Disbursed</u>
Administration	\$ 2,703,400	\$ 1,852,575
Financial Evaluation	21,519,600	15,860,264
Regulatory Compliance & Consumer Assistance	<u>18,846,100</u>	<u>13,326,794</u>
Total	\$43,069,100	\$31,039,633

#### **Fiscal Year 06-07 Revenue Collected (10-01-06 to 09-30-07)**

<u>Revenue Source</u>	<u>Amount</u>
<i>Financial Institutions:</i>	
Bank Regulation	\$7,128,656
Credit Union Regulation	\$5,082,931
BIDCO	\$8,810
Credit Card	\$1,300
Money Transmission Services	\$163,950
First Mortgage	\$2,629,869
Motor Vehicle	\$109,405
Omnibus	\$259,236
Secondary Mortgage	\$1,094,112
Regulatory Loan	\$31,163
Deferred Presentment	\$1,510,471
Civil Service Assessment	\$(105,400)
Attorney General Assessment	\$(228,503)
<i>Securities:</i>	
Security Broker-Dealer Examination	\$0
Security Broker-Dealer Registration	\$4,925
Security Agents Registration	\$10,463,705
Fees for Filing of Securities	\$9,306,808
Living Care Filing and Renewal Registration Fees	\$1,150
Miscellaneous Revenue – Securities	\$995
Securities Settlements	\$663,156
Civil Service Assessment	\$(78,929)
Attorney General Assessment	\$(73,102)

*Insurance:*

Penalties	\$132,524
Group Application/Rating Bureau	\$425
Reimbursement for Administration of Receiverships	\$110,419
Company Admissions	\$80,376
Service of Process	\$362
Premium Finance Company	\$14,900
Surplus Lines Taxes	\$13,062,062
Licensing	\$5,654,201
Third Party Administrator	\$20,325
MEWA Fees/Assessments	\$62,056
Commercial Information Sales	\$60,495
Continuing Education Program	\$546,297
Assessment/Regulatory	\$13,022,020
Civil Service Assessment	\$(90,865)
Attorney General Assessment	\$(645,080)



## Office of General Counsel

### **MISSION**

The Office of General Counsel (OGC) supports the Commissioner in the implementation and enforcement of numerous statutes designed to protect the citizens and industries of Michigan. Those statutes principally regulate insurance, lending, and securities.

OGC provides attorney services to the agency in nine major areas:

- Enforcement actions
- Formal hearings
- Research and advice
- Orders, rules, and bulletins
- Health benefits claims
- Liaison with the Office of the Attorney General
- Freedom of Information Act
- State Employees Retirement System
- Special projects

### **MILESTONES**

- The OGC completed its first full year in 2007, having been formed in June 2006. All attorney positions continue to be consolidated in one unit. Five attorneys worked on enforcement actions, one attorney principally worked on the research and rules, two attorneys worked on health benefit claims, and the General Counsel focused upon formal hearings, orders, liaison, the Freedom of Information Act, the State Employees Retirement System, and special projects.
- OGC continued its implementation of enforcement processes to make them more efficient. Allegations in complaints focus upon serious and well-documented violations. An alternative default procedure continues to prevent unnecessary, detailed preparation for hearings that will never take place. The new format for

investigation reports, designed to make attorney evaluation of investigated matters proficient, was brought into use for mortgage fraud investigations and consumer finance investigations.

- OGC initiates all OFIR contested cases and prepares all Final Decisions for the Commissioner. In 2007 OGC started 112 contested cases and prepared Final Decisions in 77 matters.
- The staff, licensees, and others look to OFIR for advice on the meaning and application of the complex laws that confront them. In 2007, OFIR gave advice on 317 matters.
- OFIR develops rules and takes them through the myriad steps specified in the Administrative Procedures Act, including public hearings. From a consumer protection standpoint, the most notable rules promulgated in 2007 prohibit insurers from putting clauses in policies that limit the time period policyholders can bring suit and prohibit insurers giving themselves full discretion to decide whether a claim is covered.
- Persons whose health claims are denied can have an informal review and determination by the Commissioner. OFIR is required in most cases to have a decision within 30 days. OGC attorneys reviewed and approved orders in 357 matters, ordinarily in less than 5 days
- OGC, in its liaison capacity with the Office of the Attorney General, consulted with Assistant Attorneys General on over 20 matters in litigation.
- OGC coordinates FOIA requests in the rich matrix of regulatory laws OFIR enforces. The FOIA Coordinator issued over 144 denials where confidentiality laws mandated that result.
- The General Counsel represents the Commissioner on the Board of the State Employees Retirement System. The predominant activity of the Board is reviewing and deciding, after formal hearings, whether employees are totally and permanently disabled and thus entitled to disability retirements. In 2007, the Board issued final decisions in some 47 cases.
- OGC takes the lead on many socially important and complex matters facing the Commissioner. In 2007, the OGC evaluated numerous national settlements that collectively involved millions of dollars in restitution and civil penalties.

## Activity Summary

### Enforcement Actions

The most obvious consumer protection mission of OGC is its work on enforcement cases. The OGC brings formal actions against persons who violate laws OFIR enforces. The most serious matters involve fraud in lending and in the sale of insurance and securities. Other important matters include insurance agents failing to remit premiums, lenders engaging in predatory practices, and securities brokers selling unsuitable products.

#### *Regular matters*

Most enforcement matters come to the OGC from the investigation, examination, and licensing units. Upon being assigned an enforcement referral through OBASE and receiving a report of investigation or examination, an enforcement attorney makes a preliminary assessment of the evidence that supports factual assertions in the report.

This assessment may lead to a request for additional investigative work. The enforcement attorney also determines whether the alleged conduct violated the law. This may entail research.

Sometimes, the evidence is not sufficient to establish a violation. The matter may be closed after the staff attorney prepares a memorandum supporting closure of the case. The General Counsel must approve this.

Upon finding that violations occurred, the enforcement attorney prepares an initial enforcement document. Where licenses are in place that is typically a Notice of Opportunity to Show Compliance (NOSC), which gives a Respondent an informal opportunity to meet with the staff and show compliance with the laws. Where licenses are not in place, the most frequent initial documents are cease and desist orders. Under the mortgage laws, the Commissioner may issue a Complaint and a Notice of Intent to Issue an Order of Prohibition, which immediately triggers a formal hearing.

To promote efficiency, enforcement attorneys do the following:

- Adjust the depth of review of evidence to the stage of the proceeding. [Saving the mastery of a case to matters that will actually be going to hearing]
- Limit a case to five Counts where there are multiple, serious violations. [Enough to support the revocation of a license]
- Seek early defaults against inactive parties. [Avoiding wasteful hearings]
- Settle cases where the settlements protect the public. [Avoiding wasteful proceedings]

If a licensee does not show compliance, a Complaint and related documents are prepared. If a Respondent ignores a Complaint, the Respondent is defaulted and an order imposing sanctions ensues. For serious violations, license revocations or similar professional

limitations may be put in place, such as orders to prohibit employment in the lending industry.

Enforcement attorneys are encouraged to pursue settlements with Respondents where they will protect the public. The Commissioner has established guiding principles for settlements. A settlement may immediately take a dishonest person out of the business and allow the staff to pursue other, often more challenging, matters.

If the matter is not defaulted due to inaction of the Respondent, and if the matter is not settled, the staff attorney intensively prepares for the hearing. This includes mastering key documents and preparing witnesses.

Formal contested case hearings ordinarily take a day or two, but complicated matters may take a week or two. The longest hearing on record lasted 73 days in the early 1980s.

After the hearing, the Administrative Law Judge may give the parties an opportunity to submit post-hearing briefs. This is most likely to happen where the law is unclear.

The Administrative Law Judge prepares a Proposal for Decision. Parties are given 20 days to file Exceptions. The matter is then referred to the Commissioner for a Final Decision.

The investigation, examination and licensing units within OFIR, as well as OFIR management, often need information on the status of enforcement cases. To make the most efficient use of staff time, enforcement staff enter information on enforcement cases into O-Base, the OFIR database system, on a real-time basis. The O-Base enforcement case record includes statutory sections allegedly violated and shows where the matter is in the enforcement process. Quarterly reports summarizing the results of enforcement actions closed each quarter are posted on the OFIR website.

### *Major matters*

Major matters involve numerous consumers in one case. They are matters of public concern. Two or more staff attorneys may be involved to accelerate the compliance process.

With major matters, the Commissioner is immediately informed of all developments. Within confidentiality constraints, the Public Information Officer may issue press releases.

### *Emergency matters*

An emergency matter is one in which consumers are immediately threatened with harm. The most common emergency matter is an ongoing fraud where consumers are subject to financial loss. For example, in the insurance area, a person started issuing automobile insurance binders in a company that did not exist. This subjected the “policyholders” to enormous, financial risk.

Where a Deputy Commissioner or Chief Deputy Commissioner reports an emergency matter to OGC, the General Counsel will immediately assign an attorney who will devote all of his or her attention to the matter. If proofs are sufficient, a cease and desist or similar order will be prepared for issuance by a Chief Deputy Commissioner within one to two days.

#### *Forms Bank*

In order to promote efficiency in the handling of enforcement matters, there is a forms bank containing over 20 commonly used forms, including those discussed above.

#### *Timeframes*

The OGC recognizes that justice delayed is often justice denied. Some important time goals are as follows:

- Preparation of cease and desist orders--2 days after referral in OBASE and receipt of investigation report
- Review and approval of settlement offers prepared by investigators --4 days after receipt of proposed offers
- Preparation of initial notices and orders--30 days from assignment to an attorney in OBASE and receipt of Investigation Report
- Preparation of Complaints--30 days after NOSC signed and action recorded in OBASE, unless extended by negotiations.

#### *Training*

Funding permitting, all OGC attorneys are expected to complete two seminars each year. At least one of the seminars relates directly to the work performed by the attorney, such as a course on evidence, and the other may be general, such as new regulatory developments in the lending industry.

#### *Statistics*

- Initial orders or notices issued 284
- Compliance conferences conducted 85
- Consent orders or other concluding orders 156
- Complaints initiating hearings issued 112
- Formal hearings conducted 48
- Proposals for Decision reviewed 19

## Formal Hearings

The Commissioner is vested with quasi-judicial powers. That is, there is a formal decision-making process that governs the handling of enforcement matters and a wide variety of other disputes between parties. Of particular importance is that the Commissioner, through the contested case process, may make interpretations of statutes that become law, much as rules become law. The OGC serves the Commissioner in this process from beginning to end.

### *Initiating Hearings*

OGC prepares Complaints and orders that initiate contested case hearings. This applies to internally referred enforcement cases as well as to disputes between parties outside of the agency.

In many cases, the Commissioner serves as a neutral decision-maker in disputes between parties. This may include a business disputing its workers compensation classification, a doctor contesting an audit by Blue Cross and Blue Shield of Michigan (BCBSM), or a consumer challenging his or her home insurance premium.

The General Counsel evaluates petitions for contested cases as to jurisdiction and prepares Complaints. The Hearings Coordinator prepares papers necessary to get the matter under way in the State Office of Administrative Hearings and Rules (SOAHR), the agency that conducts contested case hearings. Cases are usually given a hearing date about 60 days from request.

### *Monitoring Hearings*

Once a hearing is under way, the Hearings Coordinator receives documents filed in each matter. Detailed information on the progress of a case is available on the SOAHR's website. Even with discovery and adjournments, most cases are concluded within 8 months.

## Final Decisions

The final act of SOAHR is the issuance of a Proposal for Decision by the Administrative Law Judge. The hearing file is then transferred to the Hearings Coordinator.

Parties are usually given 20 days to file Exceptions. After that, the Commissioner has 30 days to issue a Final Decision in most matters. Final Decisions contain findings of fact, conclusions of law, and an order implementing the decision.

The OGC reviews files, Proposals for Decision, and Exceptions, does research and analysis as needed, and drafts Final Decisions for the Commissioner's signature and approval. To avoid any conflicts, enforcement attorneys do not work on Final Decisions.

The OGC produces 30 to 60 Final Decisions per year. Court appeals are infrequent and the Commissioner's decisions are almost always upheld.

## Statistics

- Orders issued on petitions 9
- Other orders issued 1
- Final Decisions issued 31

## Research and Advice

Most of the laws OFIR administers are designed to protect the public. Courts have instructed the Commissioner to interpret such laws liberally to achieve this end. Thus, interpretations of the law are one way that the Commissioner furthers the public protection mission of the agency.

The OGC regularly advises the staff and persons OFIR regulates on the applicability of laws administered by the Commissioner. These commonly arise from new, ambiguous, or conflicting laws.

Requests for research and advice from the staff are screened by Deputy Commissioners and Chief Deputy Commissioners (CDCs). They inform the General Counsel of the importance of a particular request and of any time constraints. The OGC endeavors to do its research and offer advice in a timely manner, usually within 30 days.

The OGC is not staffed to do research for the persons it regulates. Where there is a known agency position, the OGC will inform the party of that position. Otherwise, unless researching the matter appears to be of general importance to protecting the public, the OGC informs the requestor that it is not staffed to research the question.

## Statistics

- Research and advice provided 317
- Publications reviewed 259

## Orders, Rules, and Bulletins

Through orders, rules, and bulletins, the Commissioner implements the consumer protection that underlies the statutes the Commissioner enforces. The OGC furthers this purpose by drafting Commissioner orders and many rules and bulletins. It also carries out the numerous steps that must be taken before a rule becomes law.

### *Orders*

Many actions of the Commissioner are required by statute to be done by order. This may apply to certain licensing, rating, and financial statement matters. Even when not required, the Commissioner may choose to speak through orders to convey the importance and finality of decisions.

Staff persons act upon authority derived from the Commissioner. Certain important functions are expressly delegated to Deputy Commissioners and Chief Deputy Commissioners. An Appointments Order that is periodically updated by the General Counsel for the Commissioner's approval achieves this.

### *Rules*

Most of the major statutes the Commissioner administers grant the Commissioner the authority to promulgate rules. Rules implement statutes by making binding interpretations and setting particular standards. They may greatly influence how laws are applied.

Rules may only implement statutes, not create new law. The OGC assesses proposed rules to assure that they further the Legislative intent underlying a statute. Rules must be within the scope of a statute or they are subject to being overturned if challenged in court.

The OGC drafts some rules directly. More often, it takes rules drafted by others through the many procedural steps specified by the Administrative Procedures Act (APA). The OGC conducts all public hearings on rules and prepares and files required reports and analyses.

### *Bulletins*

Bulletins inform consumers and persons OFIR regulates of new developments, interpretations of the law, and procedures that need to be followed. They are not binding

upon anyone, but highly useful in that persons often want to know the Commissioner's position on an issue. They promote the consistent application of the laws.

OGC reviews proposed bulletins to make sure they are within the boundaries of statutes and rules the Commissioner enforces.

#### Statistics

- Research completed 2
- Rules drafted 4
- Processing steps completed 19
- Rules promulgated 4
- Regulatory plans 3
- Bulletins reviewed 7

#### Health Benefit Plans

The Patient's Right to Independent Review Act (PRIRA) was enacted in October 2000 to provide a system by which individuals can appeal the denial of health benefit claims. The Legislature determined that the importance of health care claims warranted a special, expedited procedure to ensure that individuals entitled to benefits are paid swiftly. OGC attorneys work with staff in the Health Plans Division in reviewing and preparing orders in these matters.

PRIRA reviews are conducted on claim denials by commercial insurers, health maintenance organizations, and BCBSM. In general, adverse determinations made by self-funded plans are not subject to review under the PRIRA statute.

Reviews under these statutes determine whether an adverse determination by a health plan is consistent with the language of the policy or certificate of coverage under which an individual received health care benefits. The review also determines whether the policy provisions are consistent with state law.

In some cases, the adverse determinations are based on medical questions. There, the medical information is submitted to an independent medical review organization (IRO) where it is analyzed by a physician specializing in the relevant medical field. The IRO analysis and recommendation is then submitted to OFIR and made a part of the Commissioner's decision.

The review process under these statutes is designed to produce a decision quickly. While both the individual and the insurer are permitted to submit any material they believe is relevant to the dispute, there is no hearing. Independent medical reviews must be completed within 14 days. The entire review process should be completed within 30 days of receipt of a request for review. In cases where urgent medical needs are involved, an expedited review process will provide a decision within 72 hours.

Each year, Health Plans Division staff prepare, and OGC attorneys review and approve, numerous orders for final approval and signature by the Commissioner. In a typical year, claimants gain hundreds of thousands of dollars. Parties may appeal the Commissioner's decisions to the Circuit Court, but only 3 to 5 appeals are filed each year.

#### Statistics

- Cases reviewed 12
- Orders approved 357

#### Liaison with the Office of the Attorney General

The General Counsel consults with the Attorney General's Division of Insurance and Banking (AGDIB) on litigation, major administrative cases, declaratory rulings, rules, and interpretations of the statutes the Commissioner administers.

#### *Litigation*

The Attorney General represents the Commissioner in litigation. Lawsuit papers served on the Commissioner are immediately referred to the General Counsel who, in turn, transmits them to the AGDIB.

As requested, the General Counsel assists the AGDIB with the history of a matter, analysis, strategy, and review of pleadings.

#### *Referrals to the Attorney General*

Requests for the advice and assistance of the Office of Attorney General will ordinarily be made to the AGDIB by the General Counsel. Some referrals to the Criminal Division are mandatory. Requests for formal opinions go directly to the Attorney General. The Commissioner "owes allegiance" to formal opinions and may rely upon them.

Chief Deputy Commissioners evaluate potential requests from their divisions for advice and representation by the Office of Attorney General. Where a CDC concludes such advice and representation is needed, he or she conveys that request to the General Counsel for further evaluation and action. Matters typically referred to the AGDIB require extensive research, are of public importance, or may lead to litigation.

#### Statistics

- Conferences 52
- Referrals made 28
- Documents reviewed 53
- Periodic review meetings attended 6

## Freedom of Information Act

In general, Michigan agency records are available to the public. The records belong to the people. Inspecting records give persons important information and allow them to assess the performance of an agency.

Nonetheless, the Freedom of Information Act (FOIA) expressly says that this public availability is subordinated to any statute specifying otherwise. Many of the statutes administered by the Commissioner required extensive confidentiality.

As to agency regulatory records pertaining to lenders, only those specified in guidelines and a memorandum are available to the public. As to securities records, only six categories of records are available to the public. Agency insurance records are generally available to the public except for those stemming from investigations and financial evaluation.

## Statistics

- Research completed 2
- Advice provided 42
- Requests coordinated 7
- Confidentiality reviews 7
- Extension letters issued 16
- Denial letters issued 144
- Subpoenas processed 11

## State Employees Retirement System

The General Counsel represents the Commissioner on the Board of the State Employees Retirement System. This Board monitors investments of state retirement funds and the actuarial soundness of the funds to meet long-term obligations. The most frequent activity of the Board is issuing final decisions in disputed pension disability claims.

For a state employee to qualify for a disability pension, the employee must be totally and permanently disabled. Hundreds of these claims are routinely approved following screening by a state medical consultant firm. However, several of them go to formal contested case hearings to resolve disputes.

The Board meets eight times a year. It usually decides 6 or so claims at each meeting, thereby producing over 40 formal decisions each year.

Board determination of disputes promotes the public interest in two ways. First, it helps ensure that public retirement funds go only to persons entitled to them. Second, it helps ensure that qualified persons receive an early retirement where they have been initially denied benefits.

## Statistics

- Final decisions issued 47
- Rules reviewed 0
- Rules approved 0
- Actuarial reports received 1
- Investment reports 2

## Special Projects

Special projects typically have an impact on large numbers of consumers and may involve innovation, extensive research, policy development, and extraordinary circumstances.

In recent years, the General Counsel has served as point person for the Commissioner on matters involving: the liquidation of one of the largest insurers in North America; the demutualization of three major Canadian life insurance companies; and, scores of nationwide settlements involving insurers, insurance brokers, and investment advisers.

OGC attorneys have been instrumental in addressing problems stemming from four Michigan Supreme Court decisions in 2005. Overall, the Court eliminated valuable protection policyholders had traditionally received from the judiciary. The Court pointedly said that future protection from unfair policy provisions rests with the Commissioner.

Following this, the OGC has coordinated a group of staff members that have developed draft legislation, two orders that prohibit the use of certain automobile insurance clauses, numerous notices of disapproval that apply to automobile, home, and disability policies, and five sets of rules addressing unfair provisions in insurance policies.

## Statistics

- Research and advice provided 255
- Documents reviewed 108
- Meetings attended 62
- Analyses completed 8
- Documents drafted 59
- Orders drafted 4
- Seminars attended 2



## Policy Division

### **MISSION**

The Policy Division is responsible for managing the development and implementation of OFIR's legislative agenda. The Policy Division provides support to OFIR in the areas of research, analysis, and public policy development. The Division analyzes legislation, drafts proposals for legislation, and compiles and disseminates information on current issues facing the financial services industry, consumers of that industry, and federal and state regulators. Division staff assists regulatory units with interpretations of state and federal law.

The Division serves as liaison between the Governor's Office, the Michigan Legislature, and OFIR to coordinate OFIR's legislative agenda. The Division also monitors and analyzes proposed legislation that affects the financial services industry. The Division prepares legislative analyses and provides assistance to the Governor's Legislative Affairs staff and other Executive Department staff as necessary. Division staff work with legislators to resolve their constituents' financial services industry problems and respond to a myriad of concerns of the Legislature. The Division represents the commissioner at meetings of the industry, including the Michigan Automobile Insurance Placement Facility and the Governor's Traffic Safety Advisory Commission. The Division also serves as liaison between the United States Congress and OFIR to monitor and analyze federal legislation that affects the financial services industry. When requested, Division staff also work with national and state trade organizations and associations to develop coordinated analyses or information.

The Division also conducts research, gathers data, and identifies trends in order to develop public policy recommendations consistent with the Governor's goals that respond to the needs of the financial services industry and consumers. Division employees strive to educate themselves in order to remain current with trends in financial services regulation. Additionally, the Division provides a myriad of services to OFIR staff relating to research, analysis, and writing, including but not limited to, bulletins, rules, legislation, and various reports.

### **MILESTONES**

- Tracked over 225 bills that were introduced into the Michigan Legislature in the 2007 legislation session. The Division performs this task to help OFIR stay apprised of legislative changes that would impact the industries regulated by OFIR. The Division also keeps track of federal legislation and regulatory efforts that may impact those industries.

- The Division completed a survey of approximately 65 insurance companies that write automobile insurance in Michigan to obtain sample premium data for inclusion in the *2007 Buyers' Guide to Auto Insurance* publication. The guide and the interactive web version of the guide were released in April of 2007. The guide is a valuable resource for purchasers of automobile insurance in Michigan by providing basic information and tips on how to reduce your premium. The guide also helps insurance consumers compare premiums for automobile insurance from over 65 companies that write automobile insurance in Michigan.
- The Automobile Theft Prevention Authority (ATPA) in the Department of State Police is required by statute to compile a biennial report to the Michigan Legislature on the impact of auto theft trends on auto insurance rates in Michigan. The Division assisted the ATPA in gathering, compiling and analyzing appropriate auto insurance data to be included in this biennial report. The Division also assisted the ATPA in drafting, reviewing and finalizing the report that was released to the Legislature in July of 2007.
- Division staff attended numerous meetings of the Michigan Automobile Insurance Placement Facility (MAIPF) as the Commissioner's representative. The Division also acted as a liaison throughout the year between the MAIPF and OFIR on various insurance related issues.
- Division staff attended approximately six meetings of the Governor's Traffic Safety Advisory Commission as the Commissioner's representative.
- The Division completed research on a comprehensive legislative initiative to combat insurance fraud in the State of Michigan. The Division will be seeking legislative sponsorship and will be working with representatives of the insurance industry, law enforcement agencies, insurance associations, state and national fraud organizations, and the Michigan Legislature to successfully enact legislation to combat insurance fraud and to begin an insurance fraud authority.
- The Division completed research on various legislative proposals including the use of medical fee schedules for auto insurance claim reimbursement, the possible coordination of Medicare and auto insurance policies, allowing policyholders to choose lower limits of auto insurance PIP coverage, a possible revision to the definition used to qualify for tort suit under auto insurance, and the use of geographic territories by auto insurance companies for rating purposes.
- The Division assisted the Consumer Services Division in drafting and releasing two consumer publications on PIP deductibles and uninsured/underinsured motorist coverage exclusions.
- The Division completed a survey of approximately 60 insurance companies that write home and renters insurance in Michigan to obtain sample premium data for inclusion in the 2007 Buyers' Guide to Homeowners' and Renters' Insurance. The guide and

the interactive web version of the guide were released in October of 2007. The guide helps insurance consumers compare premiums and premium discounts offered for home insurance from over 60 companies in Michigan.

- The Division has participated in the Michigan Long-term Care Partnership Program. Public Act 674 of 2006 authorized Michigan to participate in this new program established by the Deficit Reduction Act of 2005. The Department of Community Health, the Department of Human Services, and the Office of Financial and Insurance Regulation are to work together to implement the program. The Long-term Care Partnership Program is a partnership between the state Medicaid system and the private long-term care insurance industry that will help encourage Michigan citizens to assume financial responsibility for their future long-term care needs, while still being able to rely on the Michigan Medicaid services if they are needed. An individual from the Policy Division serves on the committee working toward implementation of the program.
- The Division participated in the production of the “Report on the State of Competition in the Small Employer Carrier Health Market,” which was required by 2003 PA 88 when Chapter 37 of the Michigan Insurance Code was added. This report is to be issued May 15 on an annual basis.
- The Division produced the annual “Short Term Health Insurance Policies Report,” as required by MCL 500.2213d of the Michigan Insurance Code. This section of the Code requires the Commissioner to issue a report that describes the short term one-time limited duration health insurance market. This report is required in order to assure the legislature and the public health insurance carriers are not using the exemption in this law to circumvent the Health Insurance Portability and Accountability Act (HIPAA) passed in 1996.
- The Division worked with the Centers for Medicare and Medicaid Services (CMS) to finalize an audit of Michigan’s state alternative mechanism, which is Blue Cross Blue Shield of Michigan. Every three years CMS audits the states that use the alternative mechanism to make sure those insurers are following the guidelines and laws passed under the HIPAA laws. Although the actual audit was completed by the Division at the end of December 2006, CMS had follow-up questions of Blue Cross that required further research before the audit could be finalized and Michigan could receive an approval from CMS regarding the program.
- The Division represents the Commissioner as a board member of the Michigan Medicare and Medicaid Assistance Program (MMAP). This program functions on a statewide basis. Its purpose is to set up volunteer programs to help individuals who receive Medicare or Medicaid find appropriate services wherever they are located in Michigan. The board oversees the money received from the federal government. They determine what programs should be established, provide goals for those programs, and then evaluate the outcomes so Michigan’s citizens are better served in this area.

## ACTIVITY SUMMARY

ACT #	Effective Date	Description
35 of 2007	7/11/07	Insurance; no-fault; premium increases or reinstatement fees for certain military personnel called into active duty; prohibit.
46 of 2007	7/17/07	Financial Institutions: mortgage brokers and lenders; licensing requirements for secondary mortgage companies; exempts certain employees and leased employees.
88 of 2007	9/30/07	Insurance; other; revises collection of quality assurance assessment program fees.
106 of 2007	10/1/07	State; other; public employees health benefit act; create
107 of 2007	10/1/07	Education; employees; provides medical, optical, and dental benefits; provides in accordance with public employees health benefit act.
108 of 2007	10/1/07	State; other, group medical, optical and dental self-insurance for municipal corporations; permits pursuant to public employees health benefit act.
109 of 2007	10/1/07	Higher education; community colleges; provides medical, optical, and dental benefits; provides in accordance with public employees health benefit act.

OFIR bulletins and position statements can be found at:

[http://www.michigan.gov/dleg/0,1607,7-154-10555\\_12900---,00.html](http://www.michigan.gov/dleg/0,1607,7-154-10555_12900---,00.html)

OFIR orders and rulings can be found at:

[http://www.michigan.gov/cis/0,1607,7-154-10555\\_20594---,00.html](http://www.michigan.gov/cis/0,1607,7-154-10555_20594---,00.html)

## **OFFICE OF FINANCIAL EVALUATION (OFE)**



### **Bank and Trust Division**

#### **MISSION**

The Bank and Trust Division is responsible for safety and soundness supervision of Michigan's state-chartered banks, savings banks, and Business and Industrial Development Companies (BIDCOs). The Division ensures that these organizations are operating safely and soundly, that the public can have confidence in the financial system, and that the interests of depositors, creditors and shareholders are protected. Bank examinations and financial report analysis are the principal tools used by Division staff to meet those responsibilities. Relevant state laws are the Michigan Banking Code of 1999 (1999 PA 276), the Savings Bank Act of 1996 (1996 PA 354), and the Michigan BIDCO Act (1986 PA 89).

Of the Division's 39 staff members at year-end, 35 are examiners who conduct our primary business of monitoring the condition of state-chartered banks, savings banks and BIDCOs. Each examiner has responsibility for a portfolio of institutions. Distributed among four geographic regions and a trust section, examiners work on-site at regulated institutions.

There were 129 FDIC-insured state-chartered banks, six not-FDIC-insured state-chartered banks, four state-chartered savings banks, and two BIDCOs headquartered in Michigan as of December 31, 2007. This is a decrease of 4 FDIC-insured banks and one BIDCO from year-end 2006. Twenty nine of the banks and three of the savings banks were approved to exercise trust powers. Information for and about Michigan's banks can be obtained at: [http://www.michigan.gov/cis/0,1607,7-154-10555\\_13047\\_32588---.00.html](http://www.michigan.gov/cis/0,1607,7-154-10555_13047_32588---.00.html).

#### **FINANCIAL TRENDS**

As of year-end 2007, Michigan's state-chartered commercial banks posted total consolidated assets of \$103.8 billion, a 33.8% decrease from the year-end 2006 total. Most of the decline in total assets—and other significant year-to-year changes in both consolidated income statements and consolidated balance sheets for Michigan state-chartered banks—was due to the 2007 relocation and charter conversion of Comerica Bank from Michigan to Texas.

Excluding Comerica Bank's 2006 year-end assets of \$58.5 billion, for comparative purposes, consolidated assets of state-chartered Michigan banks increased \$5.5 billion or 5.4% from year-end 2006. State-chartered savings banks held total consolidated year-end 2007 assets of \$3.0 billion, a 4.7% increase over 2006. Trust assets of state-chartered

trust banks and trust departments at year-end 2007 amounted to \$46 billion, down 69.1% from year-end 2006. Michigan's prolonged economic malaise has challenged the state's banks and savings banks. Earnings at many institutions were reduced by larger loan loss provisions in 2007, and asset quality showed further deterioration. In 2007, 21.34% percent of Michigan's FDIC-insured banks and savings banks did not earn a profit. This is up significantly from the 7.00% reported for Michigan in 2006, and significantly higher than the nationwide 2007 figure of. 11.56%. Among state-chartered banks and savings banks in Michigan, 28 (or 21.05%) did not earn a profit last year. It should be noted that this includes seven "de-novo" institutions, new banks that are often not profitable in their first three years of operation.

Noncurrent loans and leases in Michigan state-chartered commercial banks and savings banks rose to 2.20% percent of total loans and leases from 0.79% in 2006, well above the 2007 national average of 1.39%. Net loan charge-offs for 2007 amounted to 0.60% of total loans and leases, up significantly from 0.26% a year earlier, and comparable to the 0.59% posted for insured banks and savings banks nationwide. Michigan's state-chartered banks and savings banks produced a 2007 average net interest margin of 4.01%, well above the 3.29% average reported for FDIC-insured institutions nationwide.

Net consolidated income of FDIC-insured state-chartered commercial banks in Michigan for 2007 was down 55% from 2006 and amounted to \$868.4 million. . This produced an aggregate return on assets of 0.87%, down from 1.24% for 2006. Michigan's state-chartered savings banks reported aggregate net income of \$13.3 million in 2007, down 35% from the previous year, producing an aggregate return on average assets of 0.45%, down significantly from 2006.

At year-end 2007, aggregate equity capital in Michigan's FDIC-insured state-chartered commercial banks was down 31.8% from the 2006 level to \$11.4 billion. Their average equity capital-to-assets ratio was 10.96%, up slightly from 10.64% at year-end 2005. Aggregate equity capital for state-chartered savings banks amounted to \$258.2 million at December 31, 2007 (down 0.3% over the prior year); their average equity capital-to-assets ratio at year-end 2006 was 8.59%, down from 2006's 8.96%.

As of December 31,2007, Michigan's BIDCOs posted one provision of credit, representing \$1,528,333 of financing assistance outstanding.

Consolidated statements of income and balance sheets for Michigan commercial and savings banks, as well as BIDCO statistics, can be found in Appendix B of this report.

## **MILESTONES**

- There were no bank failures in Michigan during 2007.

- Three new state-chartered banks opened for business in Michigan in 2007:
  - Lotus Bank (2/28/07) in Novi
  - First Michigan Bank (8/27/07) in Troy
  - Level One Bank (10/5/07) in Farmington Hills
- The Ionia County National Bank of Ionia converted to a state-chartered bank to be known as Firstbank-West Michigan on June 30, 2007.
- The First National Bank of Three Rivers converted to a state-chartered bank to be known as FNB Financial on December 31, 2007.
- In 2007, the division hired the following team members:
  - Examiners Jeff Musgrave and Scott Verbeke in the East Region
  - Examiner Cecelia McDade in the Trust Section
  - Executive Secretary Phillip Doud
- OFIR bank examiners continued to partner with FDIC staff in presenting director training. Reception of the modular training that is brought to bank premises has been very positive.
- The following division employees celebrated milestone anniversaries with OFIR during 2007:
  - Fifteen years:           Bruce Ohland
  - Thirty years:           Don Hermann
- Senior Examiner Roger Lonsway completed his studies and earned special distinction at the Graduate School of Banking at Colorado. Supervisory Examiner Shelley McCarthy continued to be a primary instructor at the Problem Bank School that was developed for the Education Foundation of State Bank Supervisors (EFSBS).
- The Division continued to be active in partnerships and forums that leverage resources, improve our understanding of issues and trends, improve cooperation, and explore efficiencies in financial institution supervision. We value our supervisory partnerships with the Federal Reserve Banks of Chicago, Cleveland, and Minneapolis and the FDIC Chicago region staff. Division staff participate in a Midwest Cross-Sectoral Supervision of Diverse Financial Entities Working Group and its fraud, risk, business continuity and information security task forces. Spearheaded by the Federal Reserve Bank of Chicago, the group includes state and federal regulators of the bank, insurance, and securities industries in the Midwest. Division regional supervisors participate in periodic interagency forums to explore emerging supervisory issues and developments. Division staff participate on the Conference of State Bank Supervisors (CSBS) Technology, Legislative, and Regulatory Committees and on the Curriculum Committee of the EFSBS.
- The Division's Examiner Technology Group [Karen Lawson (*chair*), Terry Callahan, Rachel Durling, Katie Hyet, Natalia Wilczek Mallory, Valerie McIntyre, Judy Ritter,

Bryan Spratt, and David Symons] provides support for specialized examination software and evaluates new examination technology. The group also maintains an up-to-date electronic library of examiner reference materials. Karen Lawson, also the Central Region Supervisor, was named chairman of the CSBS District II Information Technology (IT) Committee. The Committee is comprised of nine Midwestern state banking agencies and its charter includes such areas as examination software, information security, encryption, and IT best practices.

- In April, 2007, by a vote of 5 to 3, the United States Supreme Court ruled in *Watters v Wachovia* that federal law, not state law, controls the regulation of mortgage lending activity by national banks, even when the activity is performed by an operating subsidiary of the bank.

#### **ACTIVITY SUMMARY**

The Michigan Banking Code of 1999 and the Michigan Savings Bank Act require that each state-chartered bank and savings bank be examined not less frequently than every 18 months. In fulfilling this requirement, OFIR may use an examination made pursuant to the Federal Reserve Act or the Federal Deposit Insurance Act. In 2007, Bank and Trust Division staff conducted or participated in 63 bank examinations. The Division also conducted 18 trust examinations, two BIDCO examinations, and periodic on-site visitations of problem and new banks during the year. As of December 31, 2007, there were 16 institutions on the Division's "problem" list. That number is expected to expand if the current economic malaise continues.

The 129 FDIC-insured state-chartered commercial banks in Michigan as of December 31, 2007 represent 87.2% of the 148 commercial banks in Michigan and control 72.1% of total assets of FDIC-insured banks in the state. The four state-chartered savings banks represent 25.0% of the 16 savings banks in Michigan and control 13.7% of total savings bank assets in the state.

In 2008, our safety and soundness examinations will remain focused on risk-based supervision. Timely identification of adverse conditions and trends helps assure appropriate action is taken to lessen or limit loss exposure. We are monitoring the following national, state, and local regulatory and economic conditions that may affect the state's financial institutions:

- The continuing restructure of auto manufacturing and supply sectors;
- The subprime mortgage market;
- Bank liquidity;
- Foreclosure rates;
- Land development and construction;
- Commercial real estate lending;
- Residential real estate values;
- Bank Secrecy Act and Anti-Money Laundering compliance;
- Corporate governance requirements;
- Business continuity planning;

- Identity theft; and
- Fraud.

We will continue to coordinate our efforts with our federal counterparts and with other states in an effort to minimize regulatory burden on financial organizations and to leverage our respective resources. We plan to continue working with banker associations and the Michigan Legislature to maintain a progressive banking environment and assure that the state charter remains the charter of choice for Michigan's banks.



## Credit Union Division

### **MISSION**

The Credit Union Division regulates and supervises state-chartered credit unions under the authority of the following statutes:

- Michigan Credit Union Act (2003 PA 215)
- Credit Union Multiple-Party Account Act (1968 PA 41)
- Beneficiary Accounts Act Credit Union Regulation (1992 PA 31)
- Electronic Funds Transfers Act (1978 PA 322)

The Division ensures Michigan's state-chartered credit unions are operating safely and soundly, that public confidence in the system is maintained, and that the interests of depositors, creditors, and shareholders are protected.

The Credit Union Division staff is comprised of 40 full-time employees, including 30 field examiners, 5 regional supervisors, 2 administrative support employees, a review examiner, assistant director, and deputy commissioner.

The Division provides extensive staff training and professional development opportunities. During 2007, staff members attended training sponsored by the National Credit Union Administration (NCUA), the National Association of State Credit Union Supervisors (NASCUS), and other professional organizations. These training opportunities focus on current and emerging financial institution regulatory issues and the sharing of ideas, experiences, and best practices with examiners from across the country.

The Michigan Credit Union Act requires Michigan credit unions to be federally insured. The Division works with the NCUA, which administers the National Credit Union Share Insurance Fund (NCUSIF), to manage NCUSIF risk. NCUA places substantial reliance on the Division's examination and supervision activities, and NCUA and Division management meet as necessary to discuss emerging issues, institutions requiring more than normal supervision, and other matters of mutual interest.

### **ACTIVITY SUMMARY**

#### Examination and Supervision

The Division uses a "risk-based" examination process, focusing on material areas of risk unique to each credit union. Credit unions are monitored between examinations using financial reports and other information filed by each institution.

During 2007, Division staff completed 233 safety and soundness reports on 233 state-chartered credit unions (including Central Corporate Credit Union) and one Credit Union

Service Organization. Division staff performed 185 safety and soundness examinations, 19 conducted jointly with NCUA. Division examiners also conducted 48 follow-up visitations at credit unions requiring additional supervision, 30 of those joint with the NCUA. Division staff also performed information technology examinations at 63 credit unions and 14 banks during the year.

### Industry Trends

The number of Michigan state-chartered credit unions declined from 233 to 224 during 2007, primarily due to mergers between institutions.

While generally market driven, mergers also occur because of serious operational or safety and soundness concerns. Larger, well-run credit unions can absorb troubled institutions with minimal negative impact and often provide a higher level of financial services for the members of the merged credit union.

Overall, Michigan's state-chartered credit unions remained in sound financial and operational condition during 2007. Although the number of Michigan credit unions declined, total assets (excluding Central Corporate Credit Union) increased 4.88% or \$957 million to \$20.589 billion.

A searchable database of Michigan's credit unions may be found at:

[http://www.dleg.state.mi.us/fis/ind\\_srch/CreditUnion/Search.asp](http://www.dleg.state.mi.us/fis/ind_srch/CreditUnion/Search.asp)

### Industry Associations

The Division continued to work cooperatively with credit union professional organizations and trade associations. Division staff attended several industry-related functions during 2007, and senior staff members were featured speakers on various topics for meetings of the Michigan Association of Credit Unions, the Michigan Credit Union League, and the Michigan Association of Certified Public Accountants.

The Division also remains very active in the National Association of State Credit Union Supervisors (NASCUS), the nationwide professional organization for state credit union regulators. NASCUS promotes the dual chartering system and works to strengthen the autonomy of state regulatory agencies. During 2007, Credit Union Division Deputy Commissioner Roger Little continued involvement as a NASCUS board member and as a member of the following committees: Audit, Capital Modernization Subcommittee; Federal Affairs Subcommittee; HR 1151 Task Force; Legislative & Regulatory Affairs; Performance Standards. Mr. Little is also involved in the NASCUS/NCUA Corporate Credit Union Task Force.

Assistant Director John Kolhoff chairs the NASCUS Technology Development Subcommittee and is involved as an Educational Committee and Education Certification Subcommittee member. AD Kolhoff sits as a trustee on the National Institute of Credit

Union Examination (NISCUE), a group responsible for supporting examination education initiatives through funding provided by regulated institutions.

AD Kolhoff is also a state liaison member of the Information Sharing Task Force of the Federal Financial Institutions Examination Council, working to ensure data integrity between the financial institution regulators and NCUA's Supervisory System Work Group, dedicated to developing and implementing reporting and monitoring systems used to effectively regulate the credit union industry.

Credit union statistics can be found in Appendix C of this report.



## Enterprise Monitoring Division

### **Mission**

The Enterprise Monitoring Division is comprised of four sections: 1) Corporate Review; 2) Enterprise Review; 3) Insurance Examination; and 4) Securities Regulation.

### Corporate Review Section

The Corporate Review Section is responsible for: processing applications for new state-chartered financial institutions (including banks, savings banks, credit unions, business and industrial development companies, and insurance companies); approving interstate and intrastate bank branching activities; approving mergers, consolidations, acquisitions, and corporate reorganizations; and administering capital augmentation efforts of state-chartered institutions. The section ensures that corporate applications are consistent with sound business practices, applicable laws and regulations, and OFIR policies and procedures. The section also maintains the historical corporate files for banks, savings banks, and domestic insurance companies.

### Enterprise Review Section

The Division's Enterprise Review Section was created in recognition of the changes that have been occurring in the financial services industry over the past several years. The federal Gramm-Leach-Bliley Act, passed in 1999, eliminated legal barriers to affiliations among banks, insurance companies, and securities firms. New financial service organizations, offering a wide range of financial products to consumers, are now permitted.

The Enterprise Review Section is responsible for the oversight and monitoring of these complex and diversified enterprise organizations operating in Michigan. An "enterprise" organization is defined as a large and/or complex financial services organization, with diversified business operations that cross traditional industry lines. The principal OFIR-regulated entity within the organization will generally have a significant presence in the state of Michigan, and will likely have a national or international presence as well.

The section currently conducts the financial review and analysis of selected enterprise insurance companies. Other industries may be added to the program in the future.

### Insurance Examination Section

The Insurance Examination Section is responsible for conducting on-site financial examinations of the books and records of approximately 176 entities domiciled in Michigan. These entities include property and casualty insurance companies, life and

health insurance companies, farm mutuals, government self-insurance pools, health maintenance organizations, alternative finance and delivery systems for limited health care benefits, legislatively created entities, and multiple employer welfare arrangements. Examinations are conducted on a regular basis, as required by statute, and in accordance with guidelines and standards set forth by the National Association of Insurance Commissioners (NAIC). At the conclusion of each examination, a Report of Examination is issued which presents Division findings concerning the entity's financial condition, management, and operations.

### Securities Section

The Securities Section is responsible for administering three separate Acts: the Michigan Uniform Securities Act, PA 265 of 1964, as amended; the Debt Management Act, PA 148 of 1975, as amended; and the Living Care Disclosure Act, PA 440 of 1976, as amended.

The Michigan Uniform Securities Act ("the MUSA"), P.A. 265 of 1964, as amended, provides for the regulation and registration of all aspects of the securities industry that are under state authority. All securities sold in Michigan must be registered or exempted from registration under the MUSA. All persons or businesses that offer or sell securities in the state, or advise (for a fee) on what securities should be bought or sold, must be registered.

Broker-dealer firms, which are the businesses that sell securities, are also registered under the MUSA. Applicants must meet statutory requirements relating to business practices, solvency and disclosure prior to becoming registered to sell securities in Michigan. Registrants must renew annually.

Securities agents, which are the individuals working for the broker-dealer firms, are also registered under the authority of the MUSA. Applicants are registered through Michigan's participation in the Financial Industry Regulatory Authority (FINRA) WebCRD system. Registrants must renew annually.

Investment advisers, which are businesses that offer investment advice for a fee, are also registered under the authority of the MUSA. Michigan-based advisers with assets under management of less than \$25 million fall under state authority. Investment advisers with assets under management of more than \$25 million fall under federal authority. State investment advisers must apply for registration and meet specific requirements relating to financial standing, business practices and disclosure prior to becoming registered. Registrants are required to renew annually.

The Debt Management Act, PA 148 of 1975, as amended, provides for the regulation and licensing of debt management firms that have Michigan clients and take possession of those clients' funds. Licensees are required to renew annually.

The Living Care Disclosure Act, PA 440 of 1976, as amended, requires senior citizen facilities offering life care to register with the agency. Life care facilities are reviewed for the adequacy of their disclosures, fairness of advertising, and financial viability. Registrants are required to renew annually.

The following Michigan statutes govern Division activities:

- Banking Code of 1999 (1999 PA 276)
- Savings Bank Act (1996 PA 354)
- Credit Union Act (2003 PA 215)
- Business and Industrial Development Company (BIDCO) Act (1986 PA 89)
- Insurance Code of 1956 (1956 PA 218)
- Nonprofit Healthcare Corporation Reform Act (1980 PA 350)
- Nonprofit Dental Care Corporation Act (1963 PA 125)
- Uniform Securities Act (1964 PA 265)
- Debt Management Act (1975 PA 148)
- Living Care Disclosure Act (1976 PA 440)

The text of these statutes may be found on the Michigan Legislature web site at [www.MichiganLegislature.org](http://www.MichiganLegislature.org).

## **MILESTONES**

- Activity in the Division's chartering programs remained steady throughout 2007. Three new de novo banks opened, two new domestic insurance companies were chartered, and three insurance companies redomesticated to Michigan during the year. Two conversions from national banks to state-chartered commercial banks resulted in two additional banks, and one conversion from a federal credit union added to the number of Michigan state-chartered credit unions.
- Insurance Examination Section staff, along with staff from the Supervisory Affairs and Insurance Monitoring Division, completed the interim annual review to maintain the accreditation of our insurance financial regulation program. In March 2007, the National Association of Insurance Commissioners approved our continuing status as an accredited state for the year 2007.
- The Insurance Examination Section completed on-site financial examinations of 37 insurance entities during 2007, including numerous large, multi-state examinations and several out-of-state contract examinations.
- The Insurance Examination Section established and staffed its sixth insurance examination team during 2007, in satisfaction of a long-established goal to strengthen our financial regulation of domestic insurance companies.
- Two insurance examiners obtained their Certified Financial Examiner designations from the Society of Financial Examiners during the year.

- The Securities Section's Investor Education @ your Library® program, first implemented in 2006, has proven to be a very successful initiative. The program's 90-minute presentation entitled "Investing Fundamentals" provides a basic overview of the financial markets, an explanation of many terms that people hear everyday in relation to the stock market but don't necessarily understand, and some fundamental concepts for building wealth within the markets. During 2007, over 1,200 Michigan citizens attended this program at 40 libraries across the State. The Investor Education @ your Library® program is funded entirely by a grant from the Investor Protection Trust to the OFIR Securities Section.
- The Securities Section participated in two events hosted by WWJ Newsradio 950 - CBS Radio-Detroit. These included a community leader's dinner, at which the OFIR Securities Section presented its Investor Education @ your Library® program. The attendees represented various community groups and organizations from throughout the Detroit metropolitan area. The Investor Education @ your Library® program was also presented at a library director's conference at the Southfield Public Library, which was attended by library directors from throughout the Detroit metropolitan area. Through these events, OFIR worked to educate community leaders and area librarians about the investor education program, with the hope that more Michigan citizens would then hear about and participate in the program.
- The Securities Section has begun a long-term outreach program to intermediate school systems within Michigan. The goal is to train teachers in developing a model for teaching financial education to students in their high school social studies/economics, math, business education, family, and consumer science classes. Under the program, a free teaching curriculum entitled "The Basics of Saving and Investing 2020," is presented to attendees.
- The Securities Section participated in an AARP seminar entitled "Protect Yourself and Your Investments from Fraud." There were over 200 attendees at the October 2007 session held in Detroit.
- Securities Section staff participated in various industry seminars in 2007. At a "Before the Bell" breakfast meeting hosted by a Detroit-area law firm, our presentation focused on recent and emerging issues in the securities industry. At a Michigan Association of Community Banker's conference, we presented information on due diligence procedures for bankers who are considering the use of third-party broker-dealers at their institutions. Finally, at a meeting of the Central Michigan Chapter of the Society of Financial Service Professionals, we discussed regulatory "hot topics," including securities issues relevant to senior citizens, annuities sales, and "free lunch" seminars marketed to investors.
- Securities Section staff conducted three educational seminars in Troy, Grand Rapids, and Gaylord for investment advisers and applicants under the Michigan Uniform

Securities Act. The seminars provided information to attendees on relevant Michigan law, as well as an overview of the examination process.

- The Michigan State Police recognized the efforts of OFIR securities investigator Jason Jurelich with its Certificate of Professional Excellence. This award reflects the extra effort rendered by Investigator Jurelich during a multi-jurisdictional investigation of a Michigan fraud case. Investigator Jurelich worked in cooperation with personnel from the Michigan State Police, U.S. Attorney's Office, Tennessee Bureau of Investigation, and the U.S. Secret Service to bring the case to a successful conclusion.
- The Division strives to maintain its commitment to provide timely and professional training for all staff members. During 2007, the Insurance Examination Section provided two on-site training sessions covering topics of risk-focused financial surveillance and auditing for fraud. Such training enables staff to remain current on industry and examination issues, and provides the continuing education credits necessary to maintain professional designations such as accredited financial examiner, certified financial examiner, and certified public accountant.

## **ACTIVITY SUMMARY**

### Corporate Summary

There were 135 Michigan state-chartered banks as of December 31, 2007. Five new banks were chartered during the year: three full service commercial banks; and two national banks which converted to state charters. Nine bank consolidations also occurred in 2007.

One de novo bank application was filed and approved in 2007, and three banks opened during the year. One BIDCO license was surrendered in 2007. There was no corporate activity in the savings bank program.

State-chartered credit unions numbered 224 at December 31, 2007, as compared to 233 as of December 31, 2006. Credit union merger activity decreased slightly from 2006 levels. Eight credit unions merged into other state-chartered credit unions during the year; four federal credit unions merged into state-chartered credit unions; and two state-chartered credit unions merged into federal credit unions. One federal credit union converted into a state-chartered credit union and one state-chartered credit union converted into a federal credit union during 2007. Finally, a state-chartered credit union purchased the assets and assumed the liabilities of another state-chartered credit union during the year.

### Securities Summary

As of December 31, 2007, there were 2,108 licensed securities broker-dealers; approximately 119,700 registered securities agents; 437 Michigan-based registered investment advisers; and 1,369 federally covered investment advisers. Approximately

168 securities product offering applications were reviewed in 2007 for compliance with the Michigan Uniform Securities Act. In addition, as of December 31, 2007, the Securities Section maintains the notice filing registrations of approximately 15,960 mutual funds and 1,924 private placement offerings that fall under SEC jurisdiction.

Through the Debt Management Act, the Securities Section oversees the licensing of debt management firms. At year-end 2007, there were 67 active licenses to do business in Michigan, up from 65 at December 31, 2006. The 67 licensees consist of 34 debt management firms and 33 branch offices. During 2007, the Section also began tracking qualified counselors employed by debt management firms. At year-end 2007, there were 613 such counselors employed by licensed debt management firms.

Finally, as of December 31, 2007, 23 living care facilities in Michigan were registered under the Living Care Disclosure Act. This represents a decrease from 24 facilities at December 31, 2006. Living care facilities are required to renew their registrations on a yearly basis and submit all advertising, proposed rate changes, and disclosure information for review prior to implementation.

A summary of insurance company activity can be found in Appendix D of this report.

Finally, the following information relating to the Division's activities can be found on the OFIR web site:

- Application forms, instructions, and fee schedules for the bank, BIDCO, credit union, insurance company, and securities programs:  
[www.michigan.gov/cis/0,1607,7-154-10555\\_13044---,00.html](http://www.michigan.gov/cis/0,1607,7-154-10555_13044---,00.html)
- Corporate Monthly Activity Report: [http://www.michigan.gov/dleg/0,1607,7-154-10555\\_13222\\_13236-161787--,00.html](http://www.michigan.gov/dleg/0,1607,7-154-10555_13222_13236-161787--,00.html)
- De Novo Bank Report:  
[www.michigan.gov/documents/cis\\_ofir\\_dnvobnk\\_25600\\_7.pdf](http://www.michigan.gov/documents/cis_ofir_dnvobnk_25600_7.pdf)
- “Who We Regulate” listings for banks, savings banks, BIDCOs, insurance companies, and securities entities: [www.michigan.gov/cis/0,1607,7-154-10555\\_13251---,00.html](http://www.michigan.gov/cis/0,1607,7-154-10555_13251---,00.html)



## Mortgage Examination & Investigation Section

### MISSION

The Mortgage Examination and Investigation Section consists of the mortgage examination field staff and supervisory management staff. The section's mission is to maintain consumer confidence in the mortgage brokers, mortgage lenders and mortgage servicers industry through examination and investigation of licensees and registrants. The Section is responsible for examinations and investigations of mortgage company licensees and registrants in response to consumer complaints, industry complaints, other market surveillance, and routine compliance testing. The goal is to protect Michigan consumers and the mortgage industry from a wide range of improper and unlawful practices under the statutes that OFIR administers. The following Michigan statutes govern these activities:

- Consumer Financial Services Act (1988 PA 161)
- Consumer Mortgage Protection Act (2002 PA 660)
- Credit Reform Act (1995 PA 162)
- Mortgage and Home Improvement Lending Practices Act (1977 PA 135)
- Mortgage Brokers, Lenders, and Servicers Licensing Act (1987 PA 173)
- Secondary Mortgage Loan Act (1981 PA 125)

### FINANCIAL TRENDS

**Mortgage Brokers, Lenders, and Servicers Licensing Act:** For the year ending 12/31/07, Michigan mortgage licensees and registrants made 99,382 mortgage loans totaling \$24,979,786,199. Mortgage companies brokered 106,088 loans with a dollar amount of \$11,395,238,924. Michigan mortgage companies serviced 646,486 loans with a dollar amount of \$76,251,157,442.

**Secondary Mortgage Act:** For the year ending 12/31/07, Michigan mortgage licensees and registrants made 23,959 mortgage loans totaling \$5,307,772,813. Mortgage companies brokered 18,798 loans with a dollar amount of \$1,197,719,359. Michigan mortgage companies serviced 155,215 loans with a dollar amount of \$5,358,326,191.

### MILESTONES

- Planned and conducted four quarterly informational seminars for the benefit of the mortgage industry.
- Continued to participate in the Ameriquest Mortgage Company multi-state settlement with other state mortgage regulators and attorneys general.

- Worked cooperatively with the Office of General Counsel to bring administrative actions against many individuals engaging in illegal activities. There were thirty-two persons prohibited from working in the mortgage industry in 2007.
- Implemented a mortgage licensee visitation pilot program for newly licensed mortgage brokers, mortgage lenders, and mortgage servicers. The program was designed to spend a few hours with management of thirty companies licensed for three to six months to help them understand the regulatory process and hopefully get their businesses off to good regulatory compliance start.
- Continued to work with and support industry professional organizations and trade associations. Section staff attended training or industry conferences hosted by the American Association of Residential Mortgage Regulators, the National Association of Consumer Credit Administrators, and the Conference of State Bank Supervisors.
- Section staff attended several industry-related functions and were featured speakers or panelists on various topics for the Michigan Mortgage Lenders Association and Michigan Mortgage Brokers Association.

## ACTIVITY SUMMARY

The Mortgage Examination and Investigation Section performs targeted examinations and investigations of mortgage brokers, lenders and servicers to ensure that they operate safely, responsibly and in compliance with applicable law. Other responsibilities include initiating enforcement actions against licensees and registrants based on the results of examinations and investigations.

Staff strive to efficiently utilize resources to effectively supervise the population of mortgage licensees and registrants. During 2007, the section conducted examinations of large consumer financial services licensees and also used limited-scope examinations to target companies of various sizes that reportedly had been conducting unauthorized activities. The Section continued using off-site examinations to more effectively supervise institutions which do not have a physical presence within Michigan and which had a limited amount of activity in this state.

Completed examinations/investigations	200
Warning letters issued	11
Examinations/investigations forwarded to Enforcement Section	79

## Summary of Statutes

### *Consumer Financial Services Act*

The Consumer Financial Services Act, 1988 PA 161, as amended, provides for the licensing and regulation of institutions which provide a variety of financial services, and eliminates the need for an institution to acquire a separate license for each activity. A “Class II” license authorizes services under the Regulatory Loan Act, Motor Vehicle Sales Finance Act, Secondary Mortgage Loan Act (exception: secondary mortgage servicing), and Credit Card Act. A “Class I” license authorizes services under the Sale of Checks Act, secondary mortgage servicing under the Secondary Mortgage Loan Act, Mortgage Brokers, Lenders, and Servicers Licensing Act in addition to the authorities provided under a Class II license.

A Class I license requires a bond or letter of credit of \$1,000,000 and a minimum net worth of \$100,000. A Class II license requires a bond or letter of credit of \$500,000 and a minimum net worth of \$50,000. If a licensee engages in credit card activities, a minimum net worth of \$1,000,000 is required.

### *Consumer Mortgage Protection Act*

The Consumer Mortgage Protection Act, 2002 PA 660, prohibits certain lending practices. The act requires borrowers be provided with the Borrowers Bill of Rights and the Consumer Caution and Home Ownership Counseling Notice. The law also prohibits municipal corporations and other political subdivisions from the regulation and licensing of persons engaged in the brokering, making, servicing, or collecting of mortgage loans in Michigan.

### *Credit Reform Act*

The Credit Reform Act, 1995 PA 162, authorizes certain regulated lenders to charge interest for extensions of credit, establishes limits on interest rates and finance charges, establishes limits on certain fees, and prescribes penalties.

### *Mortgage Lending Practices Act*

Mortgage Lending Practices Act, 1977 PA 135, as amended, prohibits certain mortgage lending practices by credit granting institutions. The act requires a pamphlet or document explaining the credit granting institution’s criteria for the approval or denial of a loan application and requires a notice be posted to reasonably apprise a loan inquirer or applicant of his or her rights when applying for a loan.

### *Mortgage Brokers, Lenders, and Servicers Licensing Act*

The Mortgage Brokers, Lenders, and Servicers Licensing Act, 1987 PA 173, as amended, provides for licensing, registration, and regulation of mortgage brokers, mortgage

lenders, and mortgage servicers. The act pertains to loans secured by first mortgages or land contracts covering real property located in the state of Michigan, which is used, or was improved to be used, as a dwelling and designed for occupancy by four or fewer families. Licensees are typically required to have a minimum net worth ranging from \$25,000 to \$100,000 and must generally post a bond, letter of credit, or certificate of deposit in amounts ranging from \$25,000 to \$125,000. Net worth and bonding requirements are dependent upon the type of services being offered.

#### *Secondary Mortgage Loan Act*

The Secondary Mortgage Loan Act, 1981 PA 125, as amended, authorizes the licensing, registration, and regulation of entities which make secondary mortgage loans for personal, family, or household purposes. The act also allows for loans secured by other collateral in addition to real property. Licensees are typically required to have a net worth ranging from \$25,000 to \$100,000 and must generally post a bond or letter of credit in an amount ranging from \$25,000 to \$125,000, depending on the type of services being offered.



## Supervisory Affairs and Insurance Monitoring Division

### **MISSION**

The Supervisory Affairs and Insurance Monitoring Division has four units: 1) Insurance Monitoring 2) Managed Care Market Regulation, 3) Corrective Action, and 4) Receivership, that are responsible for regulating the financial solvency of insurance entities, and market regulation for managed care entities.

### Insurance Monitoring Section

The Insurance Monitoring Section is responsible for evaluating the financial condition of insurance companies, and other similar entities that are domiciled in Michigan that have a stronger financial condition. These entities include the following types of entities: property and casualty insurance companies, life and health insurance companies, farm mutuals, municipal self-insurance pools, health maintenance organizations, nonprofit health care organizations, dental service corporations, legislatively created entities, public employer pooled plans, and alternative financing and delivery system for limited health care benefits. The Section is also responsible for monitoring the financial condition of some foreign insurers. Foreign insurers are domiciled in states other than Michigan that are conducting business in this state. The Section performs limited monitoring of foreign insurers. Reliance is placed on a domiciliary regulator to perform a more in-depth analysis. The Section is also responsible for reviewing and approving transactions involving affiliated companies. The evaluation of the financial condition is done primarily through analyzing and evaluating the companies' annual and quarterly financial statements. The analysts determine whether companies are financially safe, reliable and entitled to public confidence. This Section identifies when entities are showing possible negative trends, or key ratios that may indicate problems. The Section will then refer these entities over to the Corrective Action Section for further monitoring.

In addition to evaluating the financial soundness of domestic insurers, the Section is also responsible for reviewing and making recommendations on new applications for licensure, applications for a change in control of an insurer, requests for additional authority, and acquisitions, redomestications, and corporate reorganizations of domestic insurers.

### Managed Care Market Regulation Section

The Section is responsible for regulating the market aspects of managed care entities such as health maintenance organizations and alternative financing and delivery systems. The Section is responsible for examining and analyzing benefit contracts, provider contracts, quality of care issues, provider network adequacy, and grievance and complaint

procedures. The Section reviews and approves the benefit certificates to ensure that the coverage meets the statutory requirements, and to determine if the certificates clearly set forth the coverage being provided in easy to read and understandable terms. Provider contracts are evaluated and approved to ensure that they meet statutory requirements, provide high quality health services to enrollees, and allow the managed care entity to remain financially strong. The Section also does on-site visits of managed care entities to observe the entities' procedures and practices for providing quality health care to the enrollees, and verify compliance with statutory requirements. Managed care entities' provider networks are evaluated to ensure enrollees have reasonable access to providers that provide all types and level of care before the entity is allowed to offer coverage in each county. Also, managed care entities are required to have a process in place to handle and resolve enrollee issues regarding health care services. The Section reviews and approves the entities' process.

#### Corrective Action Section

The Corrective Action Section is primarily responsible for closely analyzing, and working with domestic insurance entities that have been identified as being at risk for financial difficulties. The Section's primary objective is to analyze insurance entities to determine whether they remain financially safe, reliable, and entitled to public confidence. To achieve its primary objective, the Section performs in-depth analysis and evaluation of entities' financial statements (annual, quarterly, and when necessary, monthly) and additional reports and filings as required by the Corrective Action Section. The Section may take appropriate action against these entities to protect Michigan policyholders. Such actions may include development of corrective action plans, requirements for capital infusions, restrictions on business written, special deposits, and orders of supervision. When appropriate and if possible, the Division prefers to work with the entities under corrective action plans, and voluntary restrictions developed, and agreed to by the entity and Corrective Action Section. The Section is also assigned some entities that are financially strong to evenly distribute the analysis process to allow for more timely reviews.

In addition, the Corrective Action Section is responsible for monitoring the financial condition of the domestic multiple employer welfare associations. The Section is also responsible for financial monitoring some foreign insurers. This monitoring is done primarily through reviewing relevant financial ratios, and some review of the financial statements. The Section also reviews and approves, as appropriate, requests by insurers for authority to write additional lines of business in Michigan.

#### Receivership Section

When an entity is determined to be no longer safe, reliable and entitled to public confidence, the Receivership Section takes more severe actions such as seizure, rehabilitation or liquidation. The Commissioner, as the statutory receiver to rehabilitate or liquidate as ordered by the Circuit Court, administers insurance entities, managed care entities that become insolvent while doing business in Michigan. The Commissioner is empowered to appoint a deputy receiver to act as the Commissioner's agent and to

employ counsel as may be necessary to administer the estate. The Section performs the following functions in accordance with statutory authority: marshaling of assets of insolvent insurers, evaluation of claims filed by all interested parties, and investment and conservation of all assets to ensure maximum distribution to all policyholders, claimants and creditors of the insolvent insurer.

## **MILESTONES**

- In accordance with the MCL 500.1311, the Commissioner must give prior approval to any change of control regarding a domestic insurance company. The division reviewed and approved requests for the change of control regarding the following 6 companies.

### Domestic Company

Bristol West Preferred Insurance Company  
Care Choices HMO  
Community Choice Michigan  
DamillerChrysler Insurance Company  
Professionals Direct Insurance Company  
SVS Vision Managed Care, Inc.

### Acquirer

Farmers, Fire, Truck Ins. Exchanges  
Priority Health  
CareSource USA Holding Company  
CG Investor LLC  
Hannover Insurance Group  
Farstan Investment Corporation

- Developed a new application package for Public Employer Pooled Plans created in 2007 PA 106..
- Conducted site visits to review quality of care and perform other market regulation oversight on 31% of the domestic health maintenance organizations, and 23% of the domestic alternative financing and delivery system entities.
- Processed and approved 14 service area expansion requests from health maintenance organizations.
- Issued final determinations on filings seeking commissioner review on 15 provider contracts, 35 certificates of coverage and 38 riders.
- Conducted analysis and follow up with all domestic managed care entities for compliance with administrative rules 500.2201 – 500.2202 (discretionary clauses) and 500.2211 – 500.2212 (shortened limitation of action clauses).

## ACTIVITY SUMMARY

The following is a report concerning the status of each domestic insurer in receivership:

- American Commercial Liability Insurance Company, a Michigan property and casualty insurer, was placed in rehabilitation by the Ingham County Circuit Court on February 21, 1992, and in liquidation on March 2, 1992.
- American Way Casualty Company, a Michigan property and casualty insurer, was placed in rehabilitation by the Ingham County Circuit Court on April 16, 1993.
- American Way Life Insurance Company, a Michigan life insurer, was placed in rehabilitation by the Ingham County Circuit Court on April 16, 1993.
- Cadillac Insurance Company, a Michigan property and casualty insurer, was placed in conservatorship by the Ingham County Circuit Court on July 7, 1989, and in liquidation on January 2, 1990.
- Confederation Life Insurance Company, a Canadian life insurer, with Michigan as its port of entry, was placed in rehabilitation by the Ingham County Circuit Court on August 12, 1994, and subsequently, a liquidation order was entered retroactive to August 12, 1994.
- First Security Casualty Company, a Michigan property and casualty insurer, was placed into liquidation on April 28, 1997.
- Great Lakes American Life Insurance Company, a Michigan life insurer, was placed in permanent receivership on November 16, 1990.
- Lincoln Mutual Casualty Company, a Michigan property and casualty insurer, was placed into liquidation on August 29, 1997.
- Mid-America Life Assurance Company, a Michigan life insurer, was placed in permanent receivership on November 16, 1990.
- Michigan Health Maintenance Organization Plans, Inc. (formerly Omnicare Health Plan), a Michigan health maintenance organization, was placed in rehabilitation by the Ingham County Circuit Court on July 31, 2001 and subsequently placed into liquidation on October 28, 2004.
- The Wellness Plan, a Michigan health maintenance organization, was placed into rehabilitation by the Ingham County Circuit Court on July 1, 2003.

- Ultimed HMO of Michigan, Inc. was placed into rehabilitation by the Ingham County Circuit Court on January 25, 2006, and subsequently placed into liquidation on April 5, 2006.
- National Foot Care Programs, Inc. was placed into rehabilitation by the Ingham County Circuit Court on October 18, 2007, and subsequently placed into liquidation on December 14, 2007.

Additional receivership statistics can be found in Appendix E of this report.

For a searchable database of Michigan insurance company information:

[http://www.cis.state.mi.us/fis/ind\\_srch/ins\\_comp/insurance\\_company\\_criteria.asp](http://www.cis.state.mi.us/fis/ind_srch/ins_comp/insurance_company_criteria.asp)

Insurance company activity statistics can be found in Appendix D of this report.

## **OFFICE OF REGULATORY COMPLIANCE AND CONSUMER ASSISTANCE (ORCCA)**



### **Consumer Services Division**

#### **MISSION**

The Consumer Services Division is comprised of three sections: Consumer Assistance; Market Conduct; and, Consumer Outreach and Education. The Division is responsible for the majority of internal and external communications for OFIR, complaint handling, investigations and market conduct reviews of insurance entities, and encompasses the operations for the physical location from which OFIR staff work. Our goal is to provide a consistent, accurate message throughout all OFIR communication, whether written or oral, internal or external, while providing OFIR customers with excellent customer service and ensuring our regulated entities deliver on their promises to Michigan consumers.

#### **Consumer Assistance Section**

The Consumer Assistance Section staff assists consumers who have experienced difficulties or who have questions regarding financial and insurance services or products. The Consumer Assistance staff strive to ensure that all customers receive a thorough and fair review of their complaints, in accordance with statutes, and that each and every consumer fully understands the final outcome. This section is responsible for conducting informal reviews required under the Essential Insurance Act. In addition to the complaint handling staff, the Consumer Assistance Section includes the staff in the OFIR Communication Center. Staff assigned to the Communication Center serve as the initial contact for persons telephoning OFIR and strives to provide personal service on each and every call. The six member staff answer, screen, respond to and route incoming telephone calls and perform reception duties for visitors. The staff retrieve data from various data sources to answer questions and provide information to interested parties.

#### **Market Conduct Section**

The Market Conduct Section is comprised of the Insurance Investigation Unit and the Market Conduct Unit. The Investigation unit is responsible for the regulation of authorized companies, producers (agents), and agencies in the insurance industry. The section investigates alleged violations of the Insurance Code and related state laws by individuals and entities. The Section's investigation activities are confidential under Section 500.1246 of the Insurance Code and are not publicly disclosable. If the allegations are supported by the evidence, the cases are referred to the Office of General Counsel with recommendation for further enforcement action which could include license

revocation, license suspension, restitution, fines and civil penalties. The Market Conduct Unit's purpose is to monitor market compliance of insurers doing business in Michigan. This unit conducts the initial review of insurers by completing Level 1 reviews, as defined in the National Association of Insurance Commissioners (NAIC) Market Conduct Handbook. Created in the June of 2006, this unit has worked to identify and approve a pool of vendors to conduct market conduct exams. The first exam is expected to be conducted in the fall of 2008.

### Consumer Outreach and Education Section

Staff assigned to this section manage the flow of information released to the public, manage the content of two OFIR web sites, and partner with local, state, and federal agencies to educate consumers in Michigan and deliver financial literacy education programs to Michigan consumers. The Consumer Outreach Coordinator is responsible for generating a great degree of consumer awareness of OFIR regulated entities, for creating and distributing OFIR financial education materials, conducting financial literacy and consumer assistance presentations, and serving as a referral link between consumers and other agencies and organizations when requests for assistance fall outside the regulatory parameters of OFIR. All OFIR forms and most printed publications are generated in the Section. In addition, various administration support activities and special projects relating to the daily operation of OFIR are provided by section staff. Complying with internal audit, facilities management, mail distribution services, telecommunications, and recycling are the responsibility of the Section.

### MILESTONES

- Due to Michigan's foreclosure crisis, staff increased efforts to educate and assist Michigan consumers regarding mortgage loan and consumer loan products, foreclosure law, predatory lending and mortgage fraud. Staff handled numerous mortgage complaints, participated in the foreclosure forums around the state, and assisted in launching new information available on our website that provides consumer information concerning foreclosure and mortgage loan products.
- Staff in the Division worked with the Policy Division in the development and release of two consumer publications on PIP deductibles and uninsured/underinsured motorist coverage exclusions.
- Expanded education efforts towards insurance and mortgage licensees by developing, implementing and participating in insurance and mortgage regulation seminars.

The OFIR web site contains a consumer services section at [http://www.michigan.gov/cis/0,1607,7-154-10555\\_12902---,00.html](http://www.michigan.gov/cis/0,1607,7-154-10555_12902---,00.html), including complaint information.

In addition, a listing of consumer related guides that OFIR has available can be found at [http://www.michigan.gov/cis/0,1607,7-154-10555\\_13222\\_13224---,00.html](http://www.michigan.gov/cis/0,1607,7-154-10555_13222_13224---,00.html).

## ACTIVITY SUMMARY

During 2007, the units in the Consumer Services Division performed the following:

### *Communication Center:*

Number of calls handled (1/1/07 to 12/31/07).....105,467

Number of calls on the toll free line (1/1/07 to 12/31/07) ....116,908

## COMMUNICATION CENTER STATISTICS 1/1/07 TO 12/31/07

	<u>Total Calls</u> <u>in Queue</u>	<u>Calls Routed</u> <u>w/in 3 min.</u>	<u>Calls Routed</u> <u>w/in 15 sec.</u>	<u>Avg.</u> <u>Speed of</u> <u>Answer</u> <u>(in</u> <u>Seconds</u> <u>)</u>	<u>% of</u> <u>Calls</u> <u>Held for</u> <u>Staff</u>	<u>% of Calls</u> <u>Abandoned</u>	<u>Calls Rec'd</u> <u>On</u> <u>Toll Free Line</u>		
<u><b>JANUARY</b></u>	9,670	5,602	58%	1,783	18%	158	87%	13%	12,223
<u><b>FEBRUARY</b></u>	8,744	4,781	55%	1,492	17%	203	88%	12%	11,348
<u><b>MARCH</b></u>	10,224	6,963	68%	2,884	28%	148	92%	8%	11,551
<u><b>APRIL</b></u>	8,227	4,637	56%	1,852	23%	201	88%	12%	9,635
<u><b>MAY</b></u>	8,914	5,885	66%	2,492	28%	158	90%	10%	9,610
<u><b>JUNE</b></u>	8,580	4,639	54%	1,802	21%	210	88%	12%	10,712
<u><b>JULY</b></u>	8,258	4,371	53%	1,631	20%	215	88%	12%	9,912
<u><b>AUGUST</b></u>	8,942	5,355	60%	2,410	27%	188	83%	17%	9,908
<u><b>SEPTEMBER</b></u>	8,647	7,441	86%	4,829	56%	72	90%	10%	7,791
<u><b>OCTOBER</b></u>	9,600	8,315	87%	5,853	61%	69	90%	10%	8,637
<u><b>NOVEMBER</b></u>	8,290	6,930	84%	4,272	52%	82	88%	12%	8,351
<u><b>DECEMBER</b></u>	7,371	6,206	84%	3,833	52%	83	89%	11%	7,230
				35,13					
<u><b>TOTALS</b></u>	105,467	71,125	67%	3	33%	151	89%	11%	116,908

### *Consumer Services Section:*

#### Consumer Complaints

Insurance .....3,183

Non-Depository (mortgages/sales finance/motor vehicle) .....718

Bank and Trust.....256

Credit Union.....93

Securities.....	32
Total consumer complaint files initiated.....	4,282
Rapid Response Files (insurance only).....	36
Written inquiries answered (including e-mails).....	1,281
Personal consumer conference conducted .....	18
Files referred to Regulatory Compliance.....	238
Dollar amount of documented reimbursements.....	\$7,766,067

Essential Insurance Act:

Informal reviews held .....	0
Decisions completed .....	0
Reviews cancelled before decision .....	0

Insurance Investigations Unit

Reviews conducted/No Investigation opened	82
Investigation Cases Opened	86
Investigation Cases Concluded	93
Investigation Cases Referred to Enforcement	26



## Health Plans Division

### **MISSION**

The Health Plans Division is responsible for the non-financial regulation of Blue Cross Blue Shield of Michigan (BCBSM) as authorized under Public Act 350 of 1980. This includes review and approval of BCBSM's rates and rating systems, benefit contracts, and provider class plans. The division also has responsibility for holding review and determination proceedings for medical providers contesting the results of audits conducted by BCBSM.

For BCBSM, the division is charged with the responsibility for ensuring that rates comply with statutory standards. Benefit certificates are examined to assure that coverage meets the criteria established in the statute and to determine if the certificates clearly set forth the coverage being provided. BCBSM's provider contracts and reimbursement arrangements are evaluated against the statutory goals of access, quality, and cost of health care services.

Regulation of premium rates charged by health maintenance organizations and alternative financing and delivery systems also falls under the responsibility of the Health Plans Division as authorized under Chapter 35 of the Insurance Code. Rates are reviewed to ensure that they are fair and reasonable in relation to benefits.

In addition, this division has responsibility for all non-financial regulatory functions authorized under the Insurance Code for long-term care insurance, Medicare supplemental insurance, individual health and disability insurance, and life insurance.

The Division also regulates rates and forms issued by Multiple Employer Welfare Arrangements (MEWAs) under Chapter 70 of the Insurance Code. The MEWA is a means by which an established association or group of employers in the same or similar industries can form a self-insurance pool to provide health benefits to employees and their families.

Health Plans Division staff responds to inquiries and complaints on benefits and other health related issues and also administers the external appeals program under the Patient's Right to Independent Review Act (PRIRA) for subscribers of health plans. The Division processes complaints filed by Medicaid providers under the timely claims payment program under 2000 PA 187.

### **MILESTONES**

- During 2007, the Health Plans Division processed orders on more than 345 cases filed under PRIRA. Division staff handled 800 additional complaints. In addition, 29 new

requests were received from medical providers contesting BCBSM audits and 23 audit cases were closed.

- In 2007, the Health Plans Division staff, continued to work with the updated OFIR data base system, OBASE, which tracks the complaint handling process. Revisions and enhancements were suggested to continue our improvement in efficiency in tracking and handling of complaints as we serve Michigan residents with their health insurance problems and concerns.

## **ACTIVITY SUMMARY**

### **Health Plans Division Complaint Activity Summary:**

#### New Consumer Complaints Received in 2007:

Blue Cross/Blue Shield of Michigan	488
Health Maintenance Organizations	179
Alternative Finance and Delivery Systems	69
Delta Dental/MI Dental Plan	29
Multiple Employer Welfare Arrangements	0
BCBSM Part 4 Requests	27
Closing Actions on Files	1286

### **PRIRA External Reviews 2007:**

#### Blue Cross/Blue Shield of Michigan

External Reviews Accepted Non-Medical	83
External Reviews Accepted Medical	64
Expedited External Reviews Accepted	0
External Review Requests Not Accepted	28
External Review Requests Not Complete	1
Orders (Decisions) Issued	118
Adverse Determinations Reversed before Decisions	44

#### Health Maintenance Organizations

External Reviews Accepted Non-Medical	38
External Reviews Accepted Medical	56
Expedited External Reviews Accepted	5
External Review Requests Not Accepted	31
External Review Requests Not Complete	0
Orders (Decisions) Issued	110
Adverse Determinations Reversed before Decisions	5

#### Alternative Finance and Delivery Systems

External Reviews Accepted Non-Medical	4
External Reviews Accepted Medical	1
Expedited External Reviews Accepted	0
External Review Requests Not Accepted	5

External Review Requests Not Complete	0
Orders (Decisions) Issued	8
Adverse Determinations Reversed before Decisions	8

#### Commercial Insurers

External Reviews Accepted Non-Medical	61
External Reviews Accepted Medical	52
Expedited External Reviews Accepted	0
External Review Requests Not Accepted	61
External Review Requests Not Complete	0
Orders (Decisions) Issued	109
Adverse Determinations Reversed before Decisions	10
Withdrawn/Dismissed	3

#### **Medicaid Timely Claims:**

Total Clean Claims Accepted	8
-----------------------------	---

#### **Health Plans Division Total Dollar Amount of documented Recoveries for 2007:**

**\$525,357**

OFIR Health Plan Division's information can be found throughout the OFIR web site at [www.michigan.gov/ofir](http://www.michigan.gov/ofir). A few highlights are:

- A direct link to the section of our web site: Health Insurance Information [http://www.michigan.gov/cis/0,1607,7-154-10555\\_12902\\_35510---,00.html](http://www.michigan.gov/cis/0,1607,7-154-10555_12902_35510---,00.html) The purpose of this web page is to provide basic information regarding health insurance and health coverage in Michigan to help Michigan residents make informed decisions when choosing health care coverage.
- A direct link to a listing of guides that OFIR has available – [http://www.michigan.gov/cis/0,1607,7-154-10555\\_13222\\_13224---,00.html](http://www.michigan.gov/cis/0,1607,7-154-10555_13222_13224---,00.html). This section of the OFIR web site includes health insurance information and the annual OFIR HMO Guide.

A direct link to the consumer section of the OFIR web site – [http://www.michigan.gov/cis/0,1607,7-154-10555\\_12902---,00.html](http://www.michigan.gov/cis/0,1607,7-154-10555_12902---,00.html). This section includes all information for consumers that need information about complaints or would like to file a complaint.



## Regulatory Compliance Division

### MISSION

The Regulatory Compliance Division consists of the Consumer Finance and Insurance Sections. The division's mission is to maintain consumer confidence in the producers and sellers of financial and insurance products and in the products themselves through licensure and to protect Michigan consumers from a wide range of improper and unlawful practices under the statutes, codes, and related laws that OFIR regulates. The following Michigan statutes govern these activities:

- Consumer Financial Services Act (1988 PA 161)
- Consumer Mortgage Protection Act (2002 PA 660)
- Credit Card Arrangements Act (1984 PA 379)
- Credit Reform Act (1995 PA 162)
- Deferred Presentment Service Transactions Act (2005 PA 244)
- Insurance Code (1956 PA 218)
- Third Party Administrator Act (1984 PA 218)
- Money Transmission Services Act (2006 PA 250)
- Mortgage and Home Improvement Lending Practices Act (1977 PA 135)
- Mortgage Brokers, Lenders, and Servicers Licensing Act (1987 PA 173)
- Motor Vehicle Sales Finance Act (1950 PA 27)
- Regulatory Loan Act (1939 PA 21)
- Secondary Mortgage Loan Act (1981 PA 125)
- Michigan Vehicle Code (1949 PA 300)
- Workers' Disability Compensation Act (1969 PA 317)

### Insurance Section

The Insurance Section consists of two units: the Licensing Unit and the Product Review Unit. The Licensing Unit is responsible for: licensure of all insurance producers, agencies, solicitors, counselors and third party administrators; collection of license-related fees; and maintenance of license records. A private contractor, Prometric, Inc., was responsible for administering all licensing examinations, processing license applications, evaluating continuing education (CE) provider and course applications, and banking CE credits on behalf of licensees. The Product Review Unit provides consumer protection by reviewing property and casualty insurance rules, rates, and policy contracts filed with OFIR by insurers doing business in Michigan to ensure that provisions therein meet statutory requirements and that rates are not excessive, inadequate, or unfairly discriminatory. Where policy forms are required to be filed with OFIR, contract language is reviewed to ensure that the forms do not contain provisions that are

inconsistent, ambiguous, misleading, or that unreasonably and deceptively affect the risk purported to be assumed in the general coverage of the policy.

### Consumer Finance Section

The Consumer Finance Section includes the Consumer Finance Unit and the Deferred Presentment and Money Transmission Services Unit. The Consumer Finance Unit is responsible for investigation and regulation of all mortgage and consumer finance applications for licensure, registration, and renewal, for license and registration amendments, and for non-predatory lending and non-fraud related investigations and examinations. The Deferred Presentment and Money Transmission Services Unit is responsible for investigation and regulation of all deferred presentment provider (also known as “payday lenders”) and money transmitter applications for licensure, and renewal, for amendments, and for the investigation and examination of the providers of these services.

During the year, Consumer Finance staff processed 1782 new license and registration applications. The number of licensees and registrants under the consumer finance programs dramatically decreased by 314 from 8518 (this includes all deferred presentment licensees) as of December 31, 2006, to 8204 as of December 31, 2007.

### **MILESTONES**

#### Insurance Section

##### *Product Review Unit*

- Received 1,507 property and casualty electronic filings in 2007 through the NAIC System for Electronic Rate and Form Filings (SERFF) versus 1,180 filings received in 2006. Electronic filing submissions reduce costs for insurers and OFIR and allow insurers to get products to market faster by reducing delivery, processing, and mailing time. For example, the intake, input, analytical review, acknowledgement, and postal mail process normally takes as many as 40 days for paper filing status to reach insurers as opposed to 30 days at most for SERFF filings. For these reasons and in working toward greater countrywide uniformity for filing submission requirements, analytical review, and acknowledgement, OFIR continues to encourage insurers to join the SERFF system for submission of electronic filing.
- We brought 185 insurers into compliance with the Code who formerly failed to put statutorily required provisions in their liability policies, pursuant to MCL 500.3008.
- Through disapprovals and compliance actions, we have brought 98 insurers into compliance with the Code who formerly failed to put statutorily required provisions in their fire policies, pursuant to MCL 500.2833(1)(q).

- We brought 27 insurers into compliance with the Code who formerly failed to allow policyholders reasonable time to file legal actions against the insurer for payment of uninsured and underinsured motorist coverage, pursuant to MCLA 500.2236(5).
- We updated the FAQ entitled “How do I obtain a surety/fidelity bond...” to help consumers by adding the Insurance Producers Appointed By An Insurance Company Locator to the FAQ, which makes it easier for the person to locate insurers writing bonds and producers close to home.
- We updated the NAIC Review Standards Checklist website button for Michigan to help insurer filing reps by changing the link to point to the Product Requirements Locator where Michigan can be selected. This eliminates the possibility of seeing conflicting filing requirements that could occur when maintaining two separately produced filing requirement databases.
- We helped draft the last paragraph of Bulletin 2007-04-INS and explain rate/rule filing requirements for charging policyholders for costs and expenses associated with auto insurers Michigan Catastrophic Claims Association assessment.
- **NAIC Product Requirements Locator Revisions** - We made necessary revisions to ensure that insurers have all the information we're able to give them concerning rule, rate, and policy form filing necessities for each types of insurance. We have utilized NAIC Staff to make about 80 hours worth of changes for us and will continue to seek its help when we need help with data/information systems it developed and maintains. The Locator information replaced the Review Standards Checklist previously published on our webpage. Now, insurers only have to consult one source to find out rate, rule, and policy form requirements.
- **Insurance Product/Filing Review Webpage** - We revised our "How To Request A Filing" instructions to better help constituents who want to request rate, rule, and policy form materials that have been filed with us.
- **Logging Paper Filings** - As of 4-1-07, we are logging all paper filings in SERFF instead of OBase. We are still working on the request to digital image each paper filings so we can view the entire filing on-line in SERFF.
- On 9-21-07, we issued discretionary clause follow-up letters for failure to comply with Administrative Rule R 500.2201 - 500.2202 warning them that OFIR will take enforcement action against them, exposing the company to a civil fine of \$1,000 or more and possible suspension or revocation of its license or certificate of authority under MCL 500.150, if they do not submit required information immediately.
- On 9-21-07, we issued Shortened time limitation follow-up letters for failure to comply with Administrative Rule R 500.2211 - 500.2212 warning them that OFIR

will take enforcement action against them, exposing the company to a civil fine of \$1,000 or more and possible suspension or revocation of its license or certificate of authority under MCL 500.150, if they do not submit required information immediately.

- Administrative Rule R 500.2201 - 500.2202 (DISCRETIONARY CLAUSES) was published in March 2007. The overall number of non life and health insurers responsible for responding to the rule is 814 property/casualty (p/c), 22 title insurers, and 3 legislatively created p/c insurers. The total number for which we currently show compliance is 722 property/casualty, 16 title insurers, and 3 legislatively created p/c insurers. We sent an enforcement referral to the OFIR General Counsel in order to bring the other 92 p/c insurers and 6 title insurers into compliance.
- Administrative Rule R 500.2211 - 500.2212 (SHORTENED TIME LIMITATIONS) was published in April 2007. The overall number of non life and health insurers responsible for responding to the rule is 814 property/casualty (p/c), 22 title insurers, and 2 legislatively created p/c insurers. The total number for which we currently show compliance is 632 property/casualty, 16 title insurers, and 2 legislatively created p/c insurers. We sent an enforcement referral to the OFIR General Counsel in order to bring the other 182 p/c insurers and 6 title insurers into compliance.

#### *Consumer Finance Unit*

- Experienced a dramatic decrease in mortgage broker, lender, and servicer license and registration applications in 2007 – 1180 compared to 2006 – 1499. The decreases were attributed to subprime market fallout, increase in foreclosures, decrease in real estate sales, tightening of underwriting guidelines, and financial institution bankruptcies and failures.
- Licensing of money transmitter providers began January 1, 2007 under the Money Transmission Services Act, 2006 PA 250 resulting in 34 money transmission licensees as December 31, 2007.
- Administrative action was taken against 5 unlicensed money transmitters resulting \$69,000 in fines.
- Planned and conducted four mortgage seminars in 2007 – one each in Gaylord, Grand Rapids, Lansing, and Troy.
- Planned and conducted monthly mortgage industry informational licensing workshops.
- Issued Bulletin number 2007-10-CF, which provided an information statement regarding the charging of a document processing fee pursuant to the Motor

Vehicle Sales Finance Act. The Bulletin stated specifically that the Motor Vehicle Sales Finance Act does not apply to motor vehicle cash sales and non-installment motor vehicle sale transactions.

- Issued Bulletin number 2007-02-CF, which provided an information statement regarding the use of Professional Employer Organizations (PEOs) under the Mortgage Brokers, Lenders, and Servicers Licensing Act.
- The United States Supreme Court ruled against OFIR and in favor of Wachovia Bank, N.A. in a monumental State vs. Federal authority case. The case decided that a subsidiary of a bank under the authority of the Office of Comptroller of Currency is not required to obtain a license or registration nor is it regulated by OFIR.
- Section staff attended several industry-related conferences such as AARMR, NACCA and MTRA and were featured speakers or panelists on various topics for the Michigan Mortgage Lenders Association and Michigan Mortgage Brokers Association.

#### *Licensing Unit*

- In January 2007, conducted jointly with contractor Prometric, Inc. an Examination Review Workshop to evaluate all insurance licensing exam questions.
- Conducted on-site audit of new contractor's license application, continuing education application, and testing processes in June 2007.
- Completed O-BASE computer programming for insurance agency-producer batch affiliations, significantly reducing staff labor.
- Issued Bulletin 2007-07-INS, Flood insurance training requirements for insurance producers with a line of authority selling through the National Flood Insurance Program (NFIP).
- In December 2007, hosted the NAIC staff and Producer Licensing Working Group members during a regulatory uniformity standards Licensing Assessment.
- Experienced a 72% decrease in number of paper license certifications issued (from 5169 to 1438), in part due to availability of online license history.
- Experienced a 33% increase in licensing nonresident surplus lines producers (from 652 to 869).

- Experienced a 15% increase in licensing nonresident producers (from 92,449 to 106,408), in part due to reciprocity measures increasing ease of nonresident licensure.
- Planned and conducted three comprehensive insurance regulatory seminars for insurance licensees, one each in Gaylord, Lansing, and Troy.
- Several staff attended and participated as panelists at NAIC and SILA conferences and training seminars.

## ACTIVITY SUMMARY

### Insurance Section

Insurance Licensing Activity Summary:	<u>Individual</u>	<u>Agency</u>
Applications received	32,692	1570
Examinations administered (by contractor)	17,494	
Licensure candidates examined (by contractor)	11668	
Provider reported credit hours	481902	
New licenses issued	24425	1205
Other licenses activated	3228	52
Notices of appointment processed	198479	23924
Cancellation processed	159262	18368
Address changes processed	14011	632
Clearances processed	510	
Certifications processed	1282	156
Duplicate licenses processed	1875	179
Name changes processed	1410	177
Renewal fees collected	\$5,893,384	
Other licensing related fees collected	\$526,818	

### Insurance Licensees in Active Status as of December 31, 2007:

<u>License Type</u>	<u>Individual</u>	<u>Agency</u>	<u>Other</u>
Resident agent	54584	8357	
Solicitor	1755		
Nonresident agent	106408	8153	
Surplus lines agent	319	129	
Adjuster for the insured	155		
Insurance adjuster	5008		
Insurance counselor	1028		
Third party administrator			389

Non-resident surplus lines	869	264
----------------------------	-----	-----

#### Insurance Education Program Activity Summary:

##### Prelicensing Education

New courses approved	34
Total number of approved courses	96
New course providers approved	2
Total number of approved providers	13

##### Continuing Education

New courses approved	2502
Total number of approved courses	2680
New course providers approved	42
Total number of approved providers	272
Provider annual renewals sent	262
Number of disciplinary actions against providers	16

#### Surplus Lines Activity Summary:

Surplus lines premium tax & regulatory fee receipts generated a total of **\$12,923,020.04** for the calendar year **2007**.

- **\$10,297,778.95** was generated from surplus lines individual and agency producers based on the total reported premium written of **\$412,016,848.31**.
- **\$2,126,964.93** was generated from direct placements by insureds and purchasing groups based on the total reported premium written of **\$85,025,261.82**.
- **\$498,276.16** was generated from risk retention groups based on the total reported premium written of **\$25,765,121.61**.

#### Insurance Product Review Unit Activity Summary:

During 2007, OFIR received 2,807 property and casualty insurance filings. We reviewed 2583 (94%) of the filings within 30 day.

We received a total of 124 FOIA requests received for which we had to print 25,237 paper copies. 119 FOIA requests (96%) were responded to with copies mailed within 5 business days.

We also e-mailed 242 SERFF filings or other material per FOIA requests. Neither state government or our work unit receive remuneration for many hours of staff time spent searching for them, breaking them in chunks, e-mailing them, etc. to requesters.

In addition, we coordinated 63 FOIA appointments in which requesters came to OFIR to view or obtain copies of rule, rate, and/or policy form filings

## **Consumer Finance Section**

The Consumer Finance Section consists of the Consumer Finance Unit and the Deferred Presentment and Money Transmission Services Unit.

The Consumer Finance Unit and the Deferred Presentment and Money Transmission Services Unit license and register entities, and perform investigations and examinations under the eight consumer finance licensing statutes to ensure that they operate safely, responsibly and in compliance with applicable law. Other responsibilities include initiating enforcement actions against licensees and registrants based on the results of examinations and investigations; and analyzing information gathered through mandated filings of annual reports and financial statements by non-depository licensees and registrants. During 2007, the section conducted examinations of regulatory loan, deferred presentment, and money transmission licensees, utilizing both on-site and off-site examination procedures to effectively and efficiently supervise non-depository financial institutions.

### Summary of Statutes

#### *Consumer Financial Services Act*

The Consumer Financial Services Act, 1988 PA 161, as amended, provides for the licensing and regulation of institutions which provide a variety of financial services, and eliminates the need for an institution to acquire a separate license for each activity. A “Class II” license authorizes services under the Regulatory Loan Act, Motor Vehicle Sales Finance Act, Secondary Mortgage Loan Act (exception: secondary mortgage servicing), and Credit Card Act. A “Class I” license authorizes services under the Money Transmission Services Act, the Mortgage Brokers, Lenders, and Servicers Licensing Act, and secondary mortgage servicing under the Secondary Mortgage Loan Act in addition to the authorities provided under a Class II license.

A Class I license requires a bond or letter of credit of \$1,500,000 and a minimum net worth of \$100,000. A Class II license requires a bond or letter of credit of \$500,000 and a minimum net worth of \$50,000. If a licensee engages in credit card activities, a minimum net worth of \$1,000,000 is required.

#### *Credit Card Arrangements Act*

The Credit Card Arrangements Act, 1984 PA 379, as amended, authorizes the licensing and regulation of non-depository issuers of credit cards. A minimum net worth of \$1,000,000 is required by the act; however, the commissioner may establish a higher net worth requirement if it is necessary to assure a safe and sound operation. There are no bonding requirements.

#### *Deferred Presentment Service Transactions Act*

The Deferred Presentment Service Transactions Act, 2005 PA 244, sometimes referred to as the “payday” lending Act, provides for the licensing and regulation of deferred presentment providers, and the implementation and maintenance of a third party deferred transaction database. The act pertains to transactions in which a deferred presentment provider accepts and defers presentment of a check in exchange for a fee. Licensees are required to have a minimum net worth ranging from \$50,000 to \$250,000 and must post a surety bond in an amount of \$50,000. Net worth is dependent upon the number of locations licensed for an entity.

#### *Money Transmission Services Act*

The Money Transmission Services Act provides for the licensing and regulation of money transmission in the state of Michigan. Money transmission includes the selling or issuing of payment instruments or stored value devices or receiving money or monetary value for transmission. A money transmission licensee is required to demonstrate and maintain a minimum net worth of \$100,000 up to a maximum of \$1,000,000. A surety bond is required in the amount of \$500,000, \$1,000,000, or \$1,500,000. Net worth and surety bond amounts are determined based on the number of locations and authorized delegates operated by the licensee.

#### *Mortgage Brokers, Lenders, and Servicers Licensing Act*

The Mortgage Brokers, Lenders, and Servicers Licensing Act, 1987 PA 173, as amended, provides for licensing, registration, and regulation of mortgage brokers, mortgage lenders, and mortgage servicers. The act pertains to loans secured by first mortgages or land contracts covering real property located in the state of Michigan, which is used, or was improved to be used, as a dwelling and designed for occupancy by four or fewer families. Licensees are typically required to have a minimum net worth ranging from \$25,000 to \$100,000 and must generally post a bond, letter of credit, or certificate of deposit in amounts ranging from \$25,000 to \$125,000. Net worth and bonding requirements are dependent upon the type of services being offered.

#### *Motor Vehicle Sales Finance Act*

The Motor Vehicle Sales Finance Act, 1950 PA 27, as amended, regulates certain installment sales of motor vehicles. It provides for licensing and regulation of both the installment sellers, who are motor vehicle dealers originating installment sales contracts, and sales finance companies, the financial institutions that purchase these contracts from the dealers. The act requires bonding of sales finance companies ranging from \$5,000 to \$20,000 for main offices, plus \$10,000 for each branch office. Installment sellers do not have a bonding requirement. The act imposes no net worth requirements on installment sellers and sales finance companies.

#### *Regulatory Loan Act*

The Regulatory Loan Act, 1939 PA 21, as amended, authorizes the licensing and regulation of entities, which make personal loans to consumers. The act prohibits the use

of real estate as security for these loans. There is no bonding requirement; however, licensees are required to maintain a minimum net worth of \$100,000.

*Secondary Mortgage Loan Act*

The Secondary Mortgage Loan Act, 1981 PA 125, as amended, authorizes the licensing, registration, and regulation of entities which make secondary mortgage loans for personal, family, or household purposes. The act also allows for loans secured by other collateral in addition to real property. Licensees are typically required to have a net worth ranging from \$25,000 to \$100,000 and must generally post a bond or letter of credit in an amount ranging from \$25,000 to \$125,000, depending on the type of services being offered.

Licensees as of December 31, 2007:

*Consumer Financial Services Act*

Number of Class I licensees	15
Number of Class II licensees	3

*Credit Card Arrangements Act*

Number of licensees	2
---------------------	---

*Deferred Presentment Service Transactions Act*

Number of licensees	783
---------------------	-----

*Money Transmission Services Act*

Number of licensees	34
---------------------	----

*Mortgage Brokers, Lenders, and Servicers Licensing Act*

Number of licensees	2,643
Number of registrants	216

*Motor Vehicle Sales Finance Act*

Number of sales finance licensees	746
Number of installment seller licensees	1,797

*Regulatory Loan Act*

Number of licensees	27
---------------------	----

*Secondary Mortgage Loan Act*

Number of licensees	7
Number of registrants	1,931

### Other Activity

The Consumer Finance Section conducted 3 on-site investigations of alleged unlicensed activity under the Motor Vehicle Sales Finance Act in 2007.

The Consumer Finance Section initiated 8 off-site regulatory loan examinations in 2007.

The Consumer Finance Section initiated 20 deferred presentment examinations and completed 21 examinations during 2007.

The Consumer Finance Section assisted the Office of General Counsel by issuing a Notice of Opportunity to Show Compliance to 77 licensees and registrants under the Mortgage Brokers, Lenders, and Servicers Licensing Act and the Secondary Loan Act for failure to file statutory annual reports or financial statements.



## Corporate Section

### APPENDIX A

#### COMMISSIONERS

##### Office of Financial and Insurance Regulation

Ken Ross	2007-Present
Linda A. Watters	2003 - 2007
Ronald C. Jones, Jr. (Acting)	2003 - 2003
Frank M. Fitzgerald	2000 - 2003

##### Financial Institutions Bureau

Gary K. Mielock (Acting)	1999-2000	Alvan Macauley, Jr.	1938-1939
Patrick M. McQueen	1993-1999	Charles T. Fisher, Jr.	1937-1938
Russell S. Kropschot (Acting)	1991-1993	Howard C. Lawrence	1936-1937
Eugene W. Kuthy	1983-1990	Rudolph E. Reichert	1927-1936
Martha R. Seger	1981-1982	Hugh A. McPherson	1921-1927
Richard J. Francis	1973-1980	Frank W. Merrick	1915-1921
Robert P. Briggs	1968-1973	Edward H. Doyle	1911-1915
Charles D. Slay	1961-1968	Henry M. Zimmerman	1907-1911
Jerome J. Zielinski	1960-1961	George W. Moore	1903-1907
Alonzo L. Wilson	1957-1960	George L. Maltz	1898-1903
Maurice C. Eveland	1949-1956	Josiah E. Just	1897-1898
E. William Nelson	1943-1948	Daniel B. Ainger	1896-1897
Maurice C. Eveland	1941-1942	Theodore C. Sherwood	1889-1896
Frederick B. Elliott, Jr.	1939-1941		

##### Insurance Bureau

Frank M. Fitzgerald	1999-2000	Joseph Navarre	1950-1959
E. L. Cox	1998-1998	David A. Forbes	1943-1950
D. A. D'Annunzio (Acting)	1997-1998	Eugene Barry	1941-1942
D. Joseph Olson	1995-1997	John G. Emery	1939-1941
Patrick M. McQueen (Acting)	1995-1995	Charles E. Gauss	1937-1939
David Dykhous	1991-1995	John C. Ketcham	1935-1936
D. A. D'Annunzio (Acting)	1991-1991	Charles E. Gauss	1933-1934
Dhiraj N. Shah (Acting)	1988-1990	Charles D. Livingston	1927-1933
Herman W. Coleman	1985-1988	Leonard T. Hands	1921-1926
Jean K. Carlson (Acting)	1985-1985	Frank H. Ellsworth	1917-1921
Nancy A. Baerwaldt	1980-1985	John T. Winship	1913-1917
Elbert C. Mackey (Acting)	1979-1980	Calvin A. Palmer	1911-1913
Richard A. Hemmings	1979-1979	Marion O. Rowland	1910-1911
Jean K. Carlson (Acting)	1978-1979	James V. Barry	1901-1910
Thomas C. Jones	1975-1978	Harry H. Stevens	1899-1901
Daniel J. Demlow	1973-1975	Milo D. Campbell	1897-1899
Russell E. Van Hooser	1969-1973	Theron F. Giddings	1893-1897
David Dykhous	1966-1969	William E. Magill	1891-1893
John W. Wickstrom (Acting)	1966-1966	Henry S. Raymond	1885-1891
Allen Mayerson	1963-1966	Eugene Pringle	1883-1885
Sherwood Colburn	1961-1963	Samuel H. Row	1871-1883
Frank Blackford	1959-1961		

## APPENDIX B

### BANK AND TRUST CONSOLIDATED BALANCE SHEETS

#### CONSOLIDATED BALANCE SHEET OF STATE COMMERCIAL BANKS \*

(in millions)

	129 Commercial Banks 12/31/2007	133 Commercial Banks 12/31/2006	Percentage Increase (Decrease)
<b>ASSETS</b>			
Cash and balances due from depository institutions	\$3,055	\$4,959	(38.39)%
Securities	\$11,452	\$16,147	(29.08)%
Federal funds sold and securities purchased under agreements to resell	\$838	\$4,071	(79.42)%
Net loans and leases	\$79,508	\$120,629	(34.09)%
Assets held in trading accounts	\$312	\$266	17.29%
Premises and fixed assets (including capitalized leases)	\$2,173	\$2,460	(11.67)%
Other real estate owned	\$249	\$128	94.53%
Goodwill and other intangibles	\$2,255	\$2,183	3.30%
Other assets	\$3,913	\$5,827	(32.85)%
<b>Total Assets</b>	<b>\$103,755</b>	<b>\$156,664</b>	<b>(33.77)%</b>
<b>LIABILITIES</b>			
Total deposits	\$77,787	\$122,957	(36.74)%
Federal funds purchased and securities sold under agreements to repurchase	\$7,538	\$4,703	60.28%
Trading liabilities	\$262	\$165	58.79%
Other borrowed funds	\$5,345	\$6,965	(23.26)%
Subordinated debt	\$20	\$2,345	(99.15)%
Other liabilities	\$1,434	\$2,858	(49.83)%
<b>Total Liabilities</b>	<b>\$92,386</b>	<b>\$139,992</b>	<b>(34.01)%</b>
<b>EQUITY CAPITAL</b>			
Perpetual preferred stock	\$1	\$327	(99.69)%
Common stock	\$312	\$366	(14.75)%
Surplus	\$6,679	\$7,986	(16.37)%
Undivided profits and capital reserves	\$4,377	\$7,998	(45.27)%
<b>Total Equity Capital</b>	<b>\$11,369</b>	<b>\$16,676</b>	<b>(31.82)%</b>
<b>Total Liabilities and Equity Capital</b>	<b>\$103,755</b>	<b>\$156,670</b>	<b>(33.77)%</b>

\* Non FDIC-Insured Commercial Banks Are Excluded

Note: Totals may not add due to rounding.

Source: FDIC Statistics on Depository Institutions ([www2.fdic.gov](http://www2.fdic.gov))

# CONSOLIDATED BALANCE SHEET OF STATE SAVINGS BANKS

(in millions)

	4 Savings Banks 12/31/2007	4 Savings Banks 12/31/2006	Percentage Increase (Decrease)
<b>ASSETS</b>			
Cash and balances due from depository institutions	\$69	\$99	(30.30)%
Securities	\$156	\$89	75.28%
Federal funds sold and securities purchased under agreements to resell	\$90	\$1	8900.00%
Net loans and leases	\$2,485	\$2,505	(0.80)%
Assets held in trading accounts	\$0	\$0	0.00%
Premises and fixed assets (including capitalized leases)	\$78	\$71	9.86%
Other real estate owned	\$12	\$6	100.00%
Goodwill and other intangibles	\$32	\$33	(3.03)%
Other assets	\$84	\$68	23.53%
Total Assets	\$3,007	\$2,873	4.66%
<b>LIABILITIES</b>			
Total deposits	\$2,162	\$2,074	4.24%
Federal funds purchased and securities sold under agreements to repurchase	\$56	\$64	(12.50)%
Trading liabilities	\$0	\$0	0.00%
Other borrowed funds	\$504	\$453	11.26%
Subordinated debt	\$0	\$0	0.00%
Other liabilities	\$28	\$25	12.00%
Total Liabilities	\$2,749	\$2,616	5.08%
<b>EQUITY CAPITAL</b>			
Perpetual preferred stock	\$0	\$0	0.00%
Common stock	4	4	0.00%
Surplus	170	169	0.59%
Undivided profits and capital reserves	85	85	0.00%
Total Equity Capital	\$258	\$257	0.39%
Total Liabilities and Equity Capital	\$3,007	\$2,873	4.66%

Note: Totals may not add due to rounding

Source: FDIC Statistics on Depository Institutions ([www2.fdic.gov](http://www2.fdic.gov))

## BANK AND TRUST CONSOLIDATED INCOME STATEMENTS

### CONSOLIDATED STATEMENT OF INCOME OF STATE COMMERCIAL BANKS \*

Year Ended December 31 (in millions)

#### SOURCES AND DISPOSITION OF INCOME

	2007	2006	Percentage Increase (Decrease)
Interest Income:			
Interest and fee income on loans and leases	\$5,693	\$8,321	(31.58)%
Interest income on balances due from depository institutions	\$73	\$58	25.86%
Interest and dividend income on securities	\$587	\$784	(25.13)%
Interest income from assets held in trading accounts	\$3	\$0	N/A
Interest income on federal funds sold and securities purchased under agreements to resell	\$52	\$48	8.33%
Other interest income	\$30	\$29	3.45%
Total interest income	\$6,438	\$9,240	(30.32)%
Interest Expenses:			
Interest on deposits	\$2,354	\$3,036	(22.46)%
Expense of federal funds purchased and securities sold under agreements to repurchase	\$233	\$293	(20.48)%
Interest on trading liabilities and other borrowed money	\$225	\$337	(33.23)%
Interest on subordinated notes and debentures	\$1	\$103	(99.03)%
Total interest expense	\$2,813	\$3,769	(25.36)%
Net interest income	\$3,625	\$5,471	(33.74)%
LESS: Provision for loan and lease losses	\$653	\$336	94.35%
Noninterest income	\$1,098	\$1,971	(44.29)%
Gains (losses) on securities not held in trading accounts	\$13	\$(130)	1100.00%
Noninterest Expenses	\$2,801	4,370	(35.90)%
Income (loss) before income taxes and extraordinary items and other adjustments	\$1,281	\$2,606	(50.84)%
LESS: Applicable income taxes	\$413	798	(48.25)%
Income (loss) before extraordinary items and other adjustments	\$868	\$1,809	(52.02)%
Extraordinary items (net of taxes)	\$0	111	N/A
Net income	\$868	\$1,921	(54.82)%

\* Non FDIC-Insured Commercial Banks Are Excluded

Note: Totals may not add due to rounding

Source: FDIC Statistics on Depository Institutions ([www2.fdic.gov](http://www2.fdic.gov))

CONSOLIDATED STATEMENT OF INCOME OF STATE SAVINGS BANKS

Year Ended December 31 (in millions)

SOURCES AND DISPOSITION OF INCOME

	2007	2006	Percentage Increase (Decrease)
Interest Income:			
Interest and fee income on loans and leases	\$182	\$173	5.20%
Interest income on balances due from depository institutions	\$2	\$2	0.00%
Interest and dividend income on securities	\$6	\$4	50.00%
Interest income from assets held in trading accounts	\$0	\$0	N/A
Interest income on federal funds sold and securities purchased under agreements to resell	\$2	\$0	N/A
Other interest income	\$1	\$1	0.00%
Total interest income	\$193	\$180	7.22%
Interest Expenses:			
Interest on deposits	\$73	\$61	19.67%
Expense of federal funds purchased and securities sold under agreements to repurchase	\$3	\$4	(25.00)%
Interest on trading liabilities and other borrowed money	\$24	\$21	14.29%
Interest on subordinated notes and debentures	\$0	\$0	N/A
Total interest expense	\$100	\$86	16.28%
Net interest income	\$93	\$94	(1.06)%
LESS: Provision for loan and lease losses	\$14	\$5	180.00%
Noninterest income	\$28	\$30	(6.67)%
Gains (losses) on securities not held in trading accounts	\$0	\$0	N/A
Noninterest Expenses	\$89	\$88	1.14%
Income (loss) before income taxes and extraordinary items and other adjustments	\$18	\$30	(40.00)%
LESS: Applicable income taxes	\$5	\$10	(50.00)%
Income (loss) before extraordinary items and other adjustments	\$13	\$20	(35.00)%
Extraordinary items (net of taxes)	\$0	\$0	N/A
Net income	\$13	\$20	(35.00)%

Totals may not add due to rounding

Source: FDIC Statistics on Depository Institutions ([www2.fdic.gov](http://www2.fdic.gov))

## BUSINESS AND INDUSTRIAL DEVELOPMENT CORPORATIONS (BIDCOs)

	<u>12/31/07</u>	<u>12/31/06</u>
Licensees	2	3
Licensees Examined	2	3
Provisions of financing assistance to agriculture firms	0	0
Financing assistance to agriculture firms	0	0
Provisions of financing assistance to mining firms	0	0
Financing assistance to mining firms	0	0
Provisions of financing assistance to construction businesses	0	0
Financing assistance to construction businesses	0	0
Provisions of financing assistance to manufacturing businesses	0	0
Financing assistance to manufacturing business	0	0
Provisions of financing assistance to transportation, communication, electricity, gas, and sanitary services businesses	1	0
Financing assistance to transportation, communication, electricity, gas, and sanitary services businesses	\$1,528,333	0
Provisions of financing assistance to wholesale trade businesses	0	0
Financing assistance to wholesale trade businesses	0	0
Provisions of financing assistance to retail trade businesses	0	0
Financing assistance to retail trade businesses	0	0
Provisions of financing assistance to finance, insurance and real estate businesses	0	0
Financing assistance to finance, insurance, and real estate businesses	0	0
Provisions of financing assistance to service businesses	0	3
Financing assistance to service businesses	0	\$495,843
Provisions of financing assistance to nonclassifiable establishments	0	0
Financing assistance to nonclassifiable establishments	0	0
Total financings for period	1	3
Total financing assistance for the period		\$495,843
Total provisions of financing assistance currently outstanding or committed	1	3
Total financing assistance currently outstanding	\$1,528,333	\$495,843
Provisions of financing assistance to minority-owned business firms	0	0
Financing assistance to minority-owned business firms	0	0
Provisions of financing assistance to women-owned business firms	0	0
Financing assistance to women-owned business firms	0	0
Estimated number of jobs created or retained *	3	

\* Estimates provided by licensees.

## APPENDIX C

### CREDIT UNION STATISTICAL INFORMATION (excludes Central Corporate Credit Union)

Description	2007 Current Year End	2006 Prior Year End	Percent Increase (Decrease)
Loans - Unsecured/Credit Card/Lines of Credit	1,543,023,509	1,408,700,659	9.54%
Loans - Vehicle	3,236,818,309	3,255,811,781	-0.58%
Loans - Real Estate	7,577,885,953	7,230,303,130	4.81%
Loans - Other	897,953,508	932,038,194	-3.66%
Allowance for Loan Losses	(107,550,309)	(99,988,313)	7.56%
Investments - U.S. Gov't Obligations / Federal Agcy	1,850,003,016	2,128,475,326	-13.08%
Investments - Corporate Credit Unions	900,654,860	605,487,028	48.75%
Investments - Other Credit Unions	45,122,874	32,032,848	40.86%
Investments - Commercial Banks and S&Ls	459,351,716	419,539,273	9.49%
Investments - Mutual Funds and Common Trusts	20,949,939	39,372,423	-46.79%
Investments - NCUSIF	162,005,461	151,405,599	7.00%
Investments - Other	1,284,386,758	1,080,745,598	18.84%
Cash and Cash Equivalents	1,699,362,621	1,531,771,493	10.94%
Net Fixed Assets	589,198,318	554,888,020	6.18%
Other Assets	429,935,349	361,072,629	19.07%
<b>TOTAL ASSETS</b>	<b>20,589,101,882</b>	<b>19,631,655,688</b>	<b>4.88%</b>
Notes Payable	393,061,470	490,312,379	-19.83%
Accrued Dividends and Interest on Deposits	27,597,154	24,882,318	10.91%
Other Liabilities	194,486,276	189,560,693	2.60%
Regular Shares	4,022,348,458	4,198,725,7332	-4.20%
Share Drafts	2,281,534,575	2,183,807,755	4.48%
Money Market Shares	3,740,276,345	3,548,678,576	5.40%
Share Certificates	5,674,339,674	4,939,441,371	14.88%
IRA / KEOGH	1,398,753,791	1,249,867,598	11.91%
Other Shares	368,015,158	417,833,431	-11.92%
Regular Reserves	556,509,696	549,629,680	1.25%
Investment Valuation Reserves	1,767,502	1,325,122	33.38%
Accumulated Unrealized Gain or Losses	7,348,637	(12,615,560)	-158.25%
Other Reserves	256,491,217	278,408,012	-7.87%
Undivided Earnings	1,666,571,929	1,571,798,581	6.03%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>20,589,101,882</b>	<b>19,631,655,688</b>	<b>4.88%</b>
Interest on Loans	890,715,293	842,041,251	5.78%
Interest Refunded on Loans	(5,867,363)	(4,058,083)	44.58%
Income from Investments	287,217,470	233,608,617	22.95%
Fee Income	209,199,472	197,259,185	6.05%
Other Operating Income	85,662,934	71,671,198	19.52%
<b>TOTAL OPERATING INCOME</b>	<b>1,466,927,806</b>	<b>1,340,522,168</b>	<b>9.43%</b>

<b>Description</b>	<b>2007 Current Year End</b>	<b>2006 Prior Year End</b>	<b>Percent Increase (Decrease)</b>
Dividends	139,809,500	123,692,719	13.03%
Interest on Deposits	349,660,185	267,391,990	30.77%
Interest on Borrowings	19,037,006	23,743,908	-19.82%
<b>TOTAL COST OF FUNDS</b>	<b>508,506,691</b>	<b>414,828,617</b>	<b>22.58%</b>
 <b>NET MARGIN</b>	 <b>958,421,115</b>	 <b>925,693,551</b>	 <b>3.54%</b>
 Employee Compensation and Benefits	 376,837,600	 362,410,472	 3.98%
Cost of Space	60,256,018	54,230,876	11.11%
Office Operations Expense	161,920,237	154,476,763	4.82%
Professional and Outside Services	50,582,905	49,213,779	2.78%
Operating Fees	5,307,128	5,519,683	-3.85%
Other Operating Expenses	116,738,648	110,924,086	5.24%
Provision for Loan Losses	93,703,783	81,371,359	15.16%
<b>TOTAL OPERATING EXPENSES</b>	<b>865,346,319</b>	<b>818,147,018</b>	<b>5.77%</b>
 <b>NET OPERATING INCOME</b>	 <b>93,074,796</b>	 <b>107,546,533</b>	 <b>-13.46%</b>
 Non-Operating Gains (Losses)	 294,403	 9,950,772	 -97.04%
 <b>NET EARNINGS</b>	 <b>93,369,199</b>	 <b>117,497,305</b>	 <b>-20.54%</b>

## DESCRIPTION

### Significant Data

Number of Credit Unions	223
Number of Credit Union Members	2,786,937
Total Assets	20,589,101,882
Total Loans Outstanding	13,255,681,279
Total Shares and Deposits	17,485,268,001
Amount of Loans Granted During Year	4,350,003,732

### Significant Ratios

Net Equity / Total Assets	12.67
Delinquent Loans / Total Loans	1.39
Allowance for Loan Losses / Delinquent Loans	58.53
Allowance for Loan Losses / Total Loans	0.81
Net Charge-Offs / Average Loans	0.63
Net Income / Average Assets	0.46
Gross Income / Average Assets	7.29
Cost of Funds / Average Assets	2.53
Net Margin / Average Assets	4.77
Operating Expenses (-PLL) / Average Assets	3.84
Provision for Loan Losses / Average Assets	0.47
Gross Loan Income / Average Loans	6.78
Investment Income / Average Investments	6.48
Interest and Dividends / Average Total Savings	2.88
Total Loans / Total Assets	65.34
Total Investments / Total Assets	22.15
Fixed Assets / Total Assets	2.86
Total Loans / Total Savings	75.81
Total Borrowings / Total Savings	2.25

### Distribution of Gross Income

Interest Refunded to Members	0.66%
Operating Expenses (Excluding PLL)	52.60%
Provision for Loan Loss Expense	6.39%
Interest on Borrowings	1.30%
Interest and Dividend Cost	33.16%
Retained Earnings	7.21%

<b>ASSET SIZE RANGE</b>	<b># of Credit Unions Current Year</b>	<b># of Credit Unions Previous Year</b>	<b>Increase (Decrease)</b>	<b>Current Year Total Assets</b>	<b>Percentage In Group</b>
\$250,000 or Less	3	3	0	408,761	0.00%
\$250,000 to \$500,000	4	4	0	1,304,893	0.01%
\$500,000 to \$1,000,000	3	3	0	1,850,368	0.01%
\$1,000,000 to \$2,000,000	11	9	2	16,678,917	0.08%
\$2,000,000 to \$5,000,000	12	16	-4	41,398,990	0.20%
\$5,000,000 to \$10,000,000	19	23	-4	137,765,967	0.67%
\$10,000,000 to \$20,000,000	33	36	-3	500,929,570	2.43%
\$20,000,000 to \$50,000,000	48	52	-4	1,578,711,483	7.67%
\$50,000,000 to \$100,000,000	41	39	2	2,984,748,340	14.50%
\$100,000,000 to \$200,000,000	21	26	-5	3,007,629,343	14.61%
\$200,000,000 to \$400,000,000	16	12	4	4,016,382,562	19.51%
Over \$400,000,000	12	10	2	8,301,292,688	40.32%
Total	223	233	-10	20,589,101,882	100.00%

**CREDIT UNION STATISTICAL INFORMATION**  
(Central Corporate Credit Union)

<b>Description</b>	<b>2007 Current Year End</b>	<b>2006 Prior Year End</b>	<b>Percent Increase (Decrease)</b>
Cash	6,247,264	36,669,396	-82.96%
Uncollected cash items	16,374,923	49,437,401	-66.88%
Fed funds sold			
Repurchase agreements			
U.S. Central Credit Union deposits	2,740,374,728	1,968,218,020	39.23%
Investment securities available for sale	134,113,126	188,283,791	-28.77%
Investment securities held to maturity - Fair value of			
\$25,052,011 at December 31, 2006	0	25,360,859	-100.00%
Certificates of deposit in financial institutions	4,752,000	4,752,000	0.00%
Loans to members and affiliates	175,713,167	266,371,660	-34.03%
Accrued interest receivable	25,742,555	15,692,819	64.04%
Fixed assets - Net	1,739,502	1,105,790	57.31%
NCUSIF capitalization deposit	438,199	432,564	1.30%
Other assets	889,480	854,531	4.09%
<b>TOTAL ASSETS</b>	<b>3,106,384,944</b>	<b>2,557,178,831</b>	<b>21.48%</b>
Notes payable to U.S. Central Credit Union	114,060,713	106,670,237	6.93%
Uncollected funds payable	25,988,256	50,645,770	-48.69%
Dividends and interest payable	17,310,162	11,493,201	50.61%
Other liabilities	1,281,529	843,416	51.95%
<b>Total liabilities</b>	<b>158,640,659</b>	<b>169,652,624</b>	<b>-6.49%</b>
<b>Members' Equity:</b>			
Members' shares and certificates	1,600,157,461	1,528,636,237	4.68%
Members' capital share deposit accounts	1,139,515,000	630,806,000	80.64%
Retained earnings	112,770,190	132,966,500	-15.19%
Accumulated other comprehensive loss	(5,829,067)	95,106,698	-106.13%
<b>Total members' equity</b>	<b>2,947,744,285</b>	<b>2,387,526,207</b>	<b>23.46%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>3,106,384,944</b>	<b>2,557,178,831</b>	<b>21.48%</b>
<b>Interest Income</b>			
Interest on investments	146,594,489	90,441,238	62.09%
Interest on loans to members and affiliates	10,712,505	13,308,263	-19.50%
<b>Total interest income</b>	<b>157,306,994</b>	<b>103,749,501</b>	<b>51.62%</b>

Description	2007 Current Year End	2006 Prior Year End	Percent Increase (Decrease)
<b>Interest Expense</b>			
Dividends on members accounts	141,594,427	93,208,962	51.91%
Interest on borrowings	5,541,659	4,508,966	22.90%
Total interest expense	147,136,086	97,717,928	50.57%
<b>Net Interest Income</b>	10,170,908	6,031,573	68.63%
<b>Other Income</b>			
Share draft processing fees	2,948,509	3,565,300	-17.30%
Transit processing fees	1,899,003	1,884,403	0.77%
Other income	1,643,514	1,745,019	-5.82%
Total other income	6,491,026	7,194,722	-9.78%
<b>Income - before general and admin expenses</b>	16,661,934	13,226,295	25.98%
<b>General and Administrative Expenses</b>			
Compensation and benefits	5,137,361	4,681,739	9.73%
Occupancy and equipment	2,285,479	2,356,934	-3.03%
Correspondent bank charges	1,342,767	1,246,321	7.74%
Other expense	1,872,324	1,796,106	4.24%
Total general and administrative expenses	10,637,931	10,081,100	5.52%
<b>Net Income</b>	6,024,003	3,145,195	91.53%

ASSET SIZE RANGE	# of Credit Unions Current Year	# of Credit Unions Previous Year	Increase (Decrease)	Current Year Total Assets	Percentage In Group
\$250,000 or Less	3	3	0	462,909	0.00%
\$250,000 to \$500,000	4	4	0	1,298,335	0.01%
\$500,000 to \$1,000,000	3	5	-1	1,873,360	0.01%
\$1,000,000 to \$2,000,000	9	8	1	12,965,096	0.07%
\$2,000,000 to \$5,000,000	16	17	-1	55,172,008	0.28%
\$5,000,000 to \$10,000,000	23	29	-6	166,103,231	0.85%
\$10,000,000 to \$20,000,000	36	36	0	552,915,325	2.82%
\$20,000,000 to \$50,000,000	52	55	-3	1,774,823,314	9.04%
\$50,000,000 to \$100,000,000	39	45	-1	2,809,885,402	14.31%
\$100,000,000 to \$200,000,000	26	23	3	3,993,533,719	20.34%
\$200,000,000 to \$400,000,000	12	12	0	3,396,152,983	17.30%
Over \$400,000,000	10	9	1	6,866,470,006	34.98%
Total	233	245	-12	19,631,655,688	100.00%

## APPENDIX D

### INSURANCE COMPANY ACTIVITY

#### DOMESTIC INSURERS INCORPORATED IN MICHIGAN DURING 2007

<u>Name</u>	<u>Type of Insurer</u>	<u>Effective Date</u>
Healthplus Insurance Company	Stock	01-01-2007
Manufacturing Technology	Mutual	01-01-2007

#### FOREIGN AND ALIEN INSURERS ADMITTED TO MICHIGAN IN 2007

During 2007, the Division received 94 applications from foreign and alien insurers seeking licensure, requalification, or status as an approved surplus lines carrier in Michigan. Action was taken on 100 applications, some of which were originally received for filing in the prior year. 79 applications were approved, 0 denied, 12 withdrawn, and 9 were returned. 15 applications were pending at December 31, 2007.

#### FOREIGN AND ALIEN LIFE INSURANCE COMPANIES ADMITTED TO MICHIGAN

<u>Name</u>	<u>State of Domicile</u>	<u>Type of Insurer</u>	<u>Effective Date</u>
American Continental Insurance Company	TN	Stock	07-09-2007
Continental American Insurance Company	SC	Stock	02-09-2007
Health Care Service Corp, A Mutual Reserve Legal Reserve Company	IL	Mutual	05-11-2007
Philadelphia American Life Insurance Company	TX	Stock	05-31-2007
Savings Bank Life Insurance Company of MA	MA	Stock	12-26-2007
Silver Script Insurance Company	TN	Stock	02-09-2007

#### FOREIGN AND ALIEN PROPERTY/CASUALTY INSURANCE COMPANIES ADMITTED TO MICHIGAN

<u>Name</u>	<u>State of Domicile</u>	<u>Type of Insurer</u>	<u>Effective Date</u>
AIG Advantage Insurance Company	MN	Stock	01-16-2007
AIOI Insurance Company of America	NY	Stock	02-02-2007
Bloomington Compensation Insurance Co.	MN	Stock	12-10-2007
Firemen's Insurance Co. of Washington, DC	DE	Stock	11-26-2007
Merchants Preferred Insurance Company	NY	Stock	06-11-2007
Milwaukee Casualty Insurance Company	WI	Stock	08-30-2007
Motor Club Insurance Association	NE	Reciprocal	09-18-2007
Patriot Mutual Insurance Company	ME	Mutual	02-27-2007
Plaza Insurance Company	MO	Stock	12-05-2007
SFM Mutual Insurance Company	MN	Mutual	03-15-2007
Security National Insurance Company	TX	Stock	08-20-2007
Trinity Universal Insurance Co. of KS	KS	Stock	07-20-2007
Union Standard Insurance Company	OK	Stock	08-30-2007
United Guaranty Commercial Ins. Co. of NC	NC	Stock	05-11-2007

**FOREIGN INSURERS APPROVED AS SURPLUS LINES CARRIERS (ELIGIBLE UNAUTHORIZED INSURERS)**

<u>Name</u>	<u>State of Domicile</u>	<u>Type of Insurer</u>	<u>Effective Date</u>
AIX Specialty Insurance Company	DE	Stock	03-28-2007
Aspen Insurance UK Limited	UK	Stock	03-28-2007
Berkshire Hathaway Int'l Insurance Co., Ltd.	UK	Stock	12-28-2007
Cumis Specialty Insurance Company	IA	Stock	07-17-2007
Naxos Insurance Company	DE	Stock	11-13-2007
Victoria Insurance Company	TX	Stock	12-05-2007

**INSURERS REMOVED FROM THE LIST OF ELIGIBLE UNAUTHORIZED INSURERS IN MICHIGAN**

<u>Name</u>	<u>State of Domicile</u>	<u>Effective Date</u>
Zurich Specialties London, Ltd.	UK	02-21-2007

At year-end 2007, there were 116 approved surplus lines carriers in Michigan.

**TERMINATIONS OF CERTIFICATES OF AUTHORITY AS THE RESULT OF MERGERS**

<u>Name</u>	<u>State of Domicile</u>	<u>Effective Date</u>
Americom Life & Annuity Insurance Company	TX	09-30-2007
Ameritas Variable Life Insurance Company	NE	05-01-2007
Boston Old Colony Insurance Company	IL	12-31-2006
Care Choices HMO	MI	03-27-2007
Chase Insurance Life and Annuity Company	IL	04-01-2007
Chase Insurance Life Company	IL	04-01-2007
Chase Life & Annuity Company	DE	01-01-2007
Commercial Insurance Company of Newark, N.J.	PA	12-31-2006
Continental Reinsurance Corporation	PA	12-31-2006
Coregis Insurance Company	IN	03-30-2007
Empire General Life Assurance Corporation	TN	01-01-2007
Farmers and Traders Life Insurance Company	NY	10-01-2007
Federal Home Life Insurance Company	VA	01-01-2007
Firemen's Insurance Company of Newark, New Jersey	PA	12-31-2006
First Colony Life Insurance Company	VA	01-01-2007
GE Reinsurance Corporation	IL	01-01-2007
Great Lakes Delta Insurance Company	IN	03-31-2007
Guaranty National Insurance Company	DE	12-28-2006
Hartford Life Group Insurance Company	IL	12-31-2006
Jefferson Pilot Financial Insurance Company	NE	07-02-2007
Jefferson-Pilot Life Insurance Company	NC	04-02-2007
Kansas City Fire and Marine Insurance Company	PA	12-31-2006
Lifesecond Insurance Company	MI	03-30-2007
M-Care	MI	12-21-2007
Metlife Life and Annuity Company of Connecticut	CT	12-07-2007
Motor Club Insurance Association	NE	12-31-2007
Mutual Service Life Insurance Company	MN	11-01-2007
National Ben-Franklin Insurance Company of Illinois	IL	12-31-2006
Niagara Fire Insurance Company	IL	12-31-2006
Peoples Benefit Life Insurance Company	IA	10-01-2007
Reassure America Life Insurance Company	IL	09-30-2007
Security Financial Life Insurance Company	NE	01-01-2007

The Buckeye Union Insurance Company	IL	12-31-2006
The Fidelity and Casualty Company of New York	PA	12-31-2006
The Glen Falls Insurance Company	IL	12-31-2006
The Polish National Alliance of Brooklyn, U.S.A.	NY	07-05-2007
United Lutheran Society	PA	07-01-2007
Utica National Life Insurance Company	NY	09-27-2007
Veterans Life Insurance Company	IL	07-01-2007

#### **TERMINATIONS OF CERTIFICATES OF AUTHORITY WITHOUT MERGER**

<u>Name</u>	<u>State of Domicile</u>	<u>Effective Date</u>
-------------	------------------------------	---------------------------

None for 2007

#### **CERTIFICATES OF AUTHORITY AUTOMATICALLY REVOKED PURSUANT TO SECTION 405A**

<u>Name</u>	<u>State of Domicile</u>	<u>Effective Date</u>
-------------	------------------------------	---------------------------

None for 2007

#### **CERTIFICATES OF AUTHORITY VOLUNTARILY SURRENDERED**

<u>Name</u>	<u>State of Domicile</u>	<u>Effective Date</u>
Fireman's Fund Insurance Co. of Nebraska	NE	04-27-2007
Travelers Insurance Co. (Accident Department)	CT	05-04-2007

#### **REDOMESTICATIONS WITHOUT MERGER**

Redomestications of the following companies were effected by restated articles of incorporation.

<u>Name</u>	<u>Effective Date</u>	<u>Redomesticated From</u>	<u>To</u>
American Equity Specialty Insurance Co.	07-31-2007	CA	CT
American Safety Casualty Insurance Co.	05-24-2007	DE	OK
Ameritrust Insurance Corporation	06-11-2007	FL	MI
Argonaut Insurance Company	12-31-2006	CA	IL
Carolina Casualty Insurance Company	06-22-2007	FL	IA
Centurion Life Insurance Company	12-31-2006	MO	IA
Continental Indemnity Company	12-15-2006	OH	IA
CUMIS Insurance Society	05-03-2007	WI	IA
CUNA Mutual Insurance Company	05-03-2007	WI	IA
Esurance Insurance Company	05-18-2006	OK	WI
Esurance Insurance Company of New Jersey	12-15-2006	CA	WI
Geovera Insurance Company	01-01-2007	MD	CA
Guarantee Insurance Company	12-29-2006	SC	FL
Harleysville Insurance Company	01-01-2007	MN	PA
Harleysville Worcester Insurance Company	12-31-2006	MA	PA
LifeSecure Insurance Company	03-30-2007	TX	MI
Lincoln Life & Annuity Company of New York	04-02-2007	NJ	NY
Members Life Insurance Company	05-03-2007	WI	IA
Modern Service Insurance Company	10-28-2006	MN	IL
Monumental Life Insurance Company	04-01-2007	MD	IA
North American Co. of Life & Health Insurance	09-27-2007	IL	IA
State Auto Property and Casualty Insurance Co.	11-14-2006	SC	IA
Templeton Funds Annuity Company	12-15-2006	FL	MN

Title Insurance Company of America	03-31-2007	TN	NE
Union Insurance Company	12-31-2006	NE	IA
United Casualty Insurance Company of America	12-28-2006	PA	IL
Valiant Insurance Company	11-15-2007	IA	DE
Western Diversified Casualty Insurance Company	12-28-2006	WI	NE
Williamsburg National Insurance Company	06-18-2007	CA	MI
Work First Casualty Company	06-01-2006	MD	DE
XL Re Life America, Inc.	09-18-2006	CT	DE

## CONVERSIONS FROM MUTUAL TO STOCK WITHOUT MERGER

<u>Name</u>	<u>Effective Date</u>
-------------	---------------------------

Fidelity Life Association, A Legal Reserve Life Insurance Company	04-30-2007
Ironshore Indemnity, Inc.	12-21-2006
Pan-American Life Insurance Company	01-10-2007

## HEALTH MAINTENANCE ORGANIZATIONS (HMO), ALTERNATIVE HEALTH CARE FINANCING AND DELIVERY SYSTEMS (AFDS), MULTIPLE EMPLOYER WELFARE ARRANGEMENTS (MEWA), RISK RETENTION GROUPS (RRG), AND PREMIUM FINANCE COMPANY ACTIVITIES:

At year-end 2007, Michigan had 13 licensed alternative health care financing and delivery systems (AFDS), 297 licensed health maintenance organizations (HMOs), 5 licensed multiple employer welfare arrangements (MEWAs), 74 registered risk retention groups (RRGs), and 70 licensed premium finance companies.

### HMO and AFDS

*Effective  
Date*

Newly licensed HMOs and AFDS in 2007:

DaVita Village Health of Michigan, Inc.	07-12-2007
---	------------

The following HMO surrendered its certificate of authority in 2007:

M-Care merged into BlueCare Network of Michigan	12-31-2007
---	------------

### MEWA

*Effective  
Date*

Newly licensed MEWAs in 2007:

None to Report

The following MEWA surrendered its certificate of authority in 2007:

MI Lumber & Building Materials Association	05-04-2007
--	------------

### RISK RETENTION GROUPS

The following risk retention groups were registered in 2007:

<u>Name:</u>	<u>State of Domicile</u>	<u>Effective Date</u>
Doctors & Surgeons National Risk Retention Group, Inc.	KY	10-16-2007
Financial Advisors Assurance Select RRG	NV	04-12-2007
Oceanus Insurance Company, A Risk Retention Group	SC	05-08-2007
Premier Physicians Insurance Company Inc, A RRG	NV	04-13-2007
Scaffold Industry Insurance Company Risk Retention Group	DC	11-20-2007
Spirit Mountain Insurance Company Risk Retention Group	DC	05-10-2007
US Rail Insurance Company, A Risk Retention Group	VT	06-22-2007

The following risk retention groups submitted applications for registration in 2007 that are being reviewed:

<u>Name:</u>	<u>State of Domicile</u>
Alliance Insurance Company (Risk Retention Group)	VT
Physshield Insurance Exchange, A Risk Retention Group	NV
US Fidelis Insurance Company Risk Retention Group	MT

The following risk retention group registration was withdrawn in 2007:

<u>Name</u>	<u>State of Domicile</u>
Global Hawk Insurance Company Risk Retention Group	SC
Premier Insurance Exchange, Risk Retention Group	VT
SIA Insurance Company (Risk Retention Group) LTS	DC

## **PREMIUM FINANCE COMPANIES**

The following premium finance companies were licensed in 2007:

<u>Name</u>	<u>State of Domicile</u>	<u>Effective Date</u>
AFS/IBEX Financial Services, Inc.	TX	04-01-2007
Backus Payne Premium Finance, LLC	MI	10-10-2007
Capitol Premium Finance, LLC	MI	04-09-2007
Longmore Credit, LLC	DE	07-02-2007
VFS US LLC dba Volvo Financial Services and dba Mack Financial Services	DE	02-15-2007
Wachovia Premium Finance, Inc.	NC	05-09-2007

The following premium finance companies surrendered or failed to renew their licenses in 2007:

<u>Name</u>	<u>State of Domicile</u>	<u>Effective Date</u>
Apex Premium Finance, LLC	MD	04-01-2007
Blackwater Premium Finance, LLC	MD	04-01-2007
Keystone Premium Finance, LLC	MI	04-01-2007
Mepco Finance Corporation	IL	12-31-2007
Seaway Premium Finance Company, Inc.	MI	04-01-2007
Water Street Financial (Michigan I) LLC dba Water Street Financial LLC	IL	01-10-2007

## **COMPANY LIST - ENTITY TYPE DEFINITIONS**

### **AFDS            Alternative Finance and Delivery System**

Alternative Financing and Delivery Systems (AFDS) are similar to Health Maintenance Organizations except that they only offer one type of health service, such as vision or dental services. The Insurance Code authorizes the Commissioner to regulate the business and financial aspects of AFDS.

### **COOP64        Cooperatives**

As domestic insurers organized under Chapter 64 of the Insurance Code, cooperatives can be formed by seven or more residents of this state. Cooperatives issue insurance to members on a nonprofit basis. Examples of cooperatives include fraternal societies, unions, and employee membership groups. Cooperatives offer only life, disability, or loss of position insurances.

### **FRAT            Fraternal**

An incorporated society, order, or voluntary association regulated by Chapter 81A of the Insurance Code. A fraternal is operated solely for the benefit of its members and their beneficiaries and not for profit. A fraternal is governed through a lodge system and a representative form of government, and members voluntarily perform charitable, educational, etc. services for other members or the public.

### **HMDI           Health, Medical, Dental Indemnity**

A National Association of Insurance Commissioners term, HMDIs are insurer-like entities formed under specific enabling authority. Such entities use a special annual financial statement form. In Michigan, the only entities under the HMDI designation are Delta Dental Plan of Michigan, Michigan Dental Plan, and Blue Cross and Blue Shield of Michigan.

### **HMO            Health Maintenance Organization**

A facility or agency authorized or licensed under Chapter 35 of the Insurance Code. A Health Maintenance Organization (HMO) delivers health maintenance services, which are medically indicated, to enrollees under the terms of its health maintenance contract. They operate directly through contracts with affiliated providers, in exchange for a fixed prepaid sum or per capita prepayment, without regard to the frequency, extent, or kind of health services.

### **LH-MUT        Life and Health - Mutual Companies**

Companies authorized to sell life insurance and/or health insurance (health insurance is referred to in the Michigan Insurance Code as disability insurance) as defined in Chapter 6 of the Insurance Code. Life insurance is insurance upon the lives and health of persons and includes the marketing of annuities. Disability insurance is insurance of any person against bodily injury or death by accident, or against disability on account of sickness or accident. This includes the granting of specific hospital benefits and medical, surgical and sick-care benefits to any person, family, or group. Mutual companies are owned by their policyholders, and managed by a board of directors elected by the policyholders.

### **LH-STK        Life and Health - Stock Companies**

Companies authorized to sell life insurance and/or health insurance (health insurance is referred to in the Michigan Insurance Code as disability insurance) as defined in Chapter 6 of the Insurance Code. Life insurance is insurance upon the lives and health of persons and includes the marketing of annuities. Disability insurance is insurance of any person against bodily

injury or death by accident, or against disability on account of sickness or accident. This includes the granting of specific hospital benefits and medical, surgical and sick-care benefits to any person, family, or group. Stockholders, the people who purchase stock in the corporation, own stock insurance companies.

**LH-USB      Life and Health - U.S. Branch of Alien Insurers (USB)**

A life and health USB is an alien insurer that uses this state as its state of entry to sell life and health insurance in the United States. Regulated under Chapter 4 of the Insurance Code, USBs must qualify as an insurer licensed to do business in this state and must establish a trust account pursuant to a trust agreement approved by the Commissioner.

**MEWA      Multiple Employer Welfare Arrangement**

A MEWA is sponsored by an association or group of two or more businesses or entities that are in the same trade, industry, or type of service. The arrangement is organized under Chapter 70 of the Insurance Code to provide health insurance and related benefits to employees of its member employers. The MEWA's sponsoring group or association must be formed for a purpose other than merely the sponsorship of an employee welfare benefit plan.

**PC-STK      Property and Casualty - Stock Companies**

Companies authorized to sell property insurance and/or casualty insurance as defined in Chapter 6 of the Insurance Code. Property insurance covers an insured whose property is damaged or destroyed by an insured peril. Casualty insurance is coverage primarily for the liability of an individual or organization that results from negligent acts and omissions. Stockholders, the people who purchase stock in the corporation, own stock insurance companies.

**PC-FARM      Property and Casualty - Farm Mutuals**

A domestic mutual insurer organized under Chapter 68 of the Insurance Code. Farmers and other special mutual property insurers must be made up of 25 or more persons associated for the purposes of the mutual insurance of farm property or property located in a village or city of less than 5,500 inhabitants.

**PC-GSIP      Property and Casualty – Governmental Self Insurance Pools**

A pool formed under Chapter 124 of the Michigan compiled laws that authorizes municipalities to enter into intergovernmental contracts and pooling arrangements to meet their needs for property, casualty, surety and excess liability coverage. Organized to underwrite a particular risk, usually with high limits of exposure. As a pool, each member shares in premium, losses, and expenses according to a predetermined agreement.

**PC-MUT      Property and Casualty - Mutual Companies**

Companies authorized to sell property insurance and/or casualty insurance as defined in Chapter 6 of the Insurance Code. Property insurance covers an insured whose property is damaged or destroyed by an insured peril. Casualty insurance is coverage primarily for the liability of an individual or organization that results from negligent acts and omissions. Mutual companies are owned by their policyholders and managed by a board of directors elected by the policyholders.

**PC-Other      Property and Casualty - Other**

Organizations authorized to sell property insurance and/or casualty insurance as defined in Chapter 6 of the Insurance Code. In Michigan, PC-Other refers to four entities: The Michigan Catastrophic Claims Association, the Michigan Basic Property Insurance Association, the Worker's Compensation Facility, and the Michigan Automobile Insurance Placement Facility. These are legislatively created entities formed for the public's welfare and therefore are not "owned" by policyholders or stockholders.

**PC-RECIP      Property and Casualty - Reciprocal Exchanges**

An association organized under the provisions of Chapter 72 of the Insurance Code. A reciprocal is much like a mutual in that it is owned by its policyholders. Members share profits and losses in the same proportion as the amount of insurance purchased from the exchange by that member.

**PC-S/L          Property and Casualty - Surplus Lines**

Surplus lines insurance is insurance procured from an unauthorized insurer. A surplus lines insurer, as an unauthorized company, is not admitted or licensed to do business in Michigan. They market insurance that is not available from an authorized company in the regular market. Surplus lines insurers must adhere to the provisions of Chapter 19 of the Insurance Code.

**PC-USB          Property and Casualty - U.S. Branch of Alien Insurers (USB)**

An alien insurer that uses this state as its state of entry to sell property and casualty insurance in the United States. Regulated under Chapter 4 of the Insurance Code, USBs must qualify as an insurer licensed to do business in this state and must establish a trust account pursuant to a trust agreement approved by the commissioner.

**RELD66          Railway Employees Life and Disability**

RELD66 represents companies that are formed to provide insurance for railway employees and organized pursuant to the requirements of Chapter 66 of the Insurance Code. Insurance that can be provided is limited to insurance against: loss of position, bodily injury or death by accident, disability on account of sickness, loss of life. Health insurance and annuities may also be offered.

**TITLE            Title Companies**

Domestic, foreign, or alien insurers authorized to sell title insurance and organized pursuant to the provisions of Chapter 73 of the Insurance Code. Title companies notify prospective purchasers of recorded liens or easements on a parcel of real estate. They provide insurance against loss due to other title defects such as forgery, fraud, errors in public records, and wills not probated.





## 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

### Top 20 Writers - All Categories

Regulated Entity	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Michigan Direct Losses Paid	Total Direct Premiums Written	Michigan Market Share
Blue Cross & Blue Shield Of MI	HMDI	MI	5,418,152	2,406,089	6,184,770	5,629,130	6,184,770	11.90%
Blue Care Network Of MI	HMO-NP	MI	785,302	244,110	2,153,459	1,839,267	2,162,665	4.14%
Health Alliance Plan Of MI	HMO-NP	MI	402,539	238,901	1,605,971	1,465,794	1,611,525	3.09%
Priority Health	HMO-NP	MI	391,849	215,449	1,376,077	1,245,004	1,376,077	2.65%
State Farm Mutual Automobile Ins Co	PC-MUT	IL	104,842,398	63,577,269	1,094,160	724,481	28,434,556	2.11%
Jackson National Life Ins Co	LH-STK	MI	73,963,867	4,024,057	1,018,251	117,347	13,959,328	1.96%
John Hancock Life Ins Co (USA)	LH-STK	MI	126,026,506	1,523,303	987,011	57,658	24,338,830	1.90%
Principal Life Ins Co	LH-STK	IA	135,714,882	3,697,486	959,997	160,989	25,988,421	1.85%
Auto Club Group Ins Co	PC-STK	MI	185,852	86,706	899,033	538,039	899,033	1.73%
Metropolitan Life Ins Co	LH-STK	NY	297,465,527	13,003,979	829,928	621,724	44,034,221	1.60%
Home-Owners Ins Co	PC-STK	MI	1,258,655	460,956	804,905	526,751	852,746	1.55%
Lincoln National Life Ins Co	LH-STK	IN	144,609,572	4,957,875	796,617	123,061	21,438,125	1.53%
AXA Equitable Life Ins Co	LH-STK	NY	142,433,163	6,569,263	737,057	92,728	19,630,557	1.42%
Prudential Annuities Life Assur Corp	LH-STK	CT	43,236,057	438,349	623,985	18,341	8,398,398	1.20%
Citizens Ins Co Of Amer	PC-STK	MI	1,666,672	737,142	611,220	395,207	887,904	1.18%
Molina HealthCare Of MI, Inc	HMO-P	MI	147,656	69,499	595,503	497,074	595,503	1.15%
Pacific Life Ins Co	LH-STK	NE	96,551,166	3,707,975	594,136	32,894	15,382,311	1.14%
State Farm Fire And Casualty Co	PC-STK	IL	26,187,616	10,161,463	500,685	291,351	14,823,889	0.96%
RiverSource Life Ins Co	LH-STK	MN	79,870,147	2,820,441	490,357	77,841	11,903,081	0.94%
Teachers Ins & Annuity Assoc Of Amer	LH-STK	NY	196,409,275	17,827,120	463,458	267,424	9,599,206	0.89%
Subtotals:	20		1,477,566,854	136,767,431	23,326,579	14,722,104	252,501,145	44.88%
Remainder	1,528		4,834,494,037	712,179,951	28,651,522	15,664,951	898,121,809	55.12%
Grand Totals:	1,548		6,312,060,891	848,947,383	51,978,101	30,387,055	1,150,622,954	100.00%

### Top 20 Writers - Accident & Health

Blue Cross & Blue Shield Of MI	HMDI	MI	5,418,152	2,406,089	6,184,770	5,629,130	6,184,770	32.01%
Blue Care Network Of MI	HMO-NP	MI	785,302	244,110	2,153,459	1,839,267	2,162,665	11.15%
Health Alliance Plan Of MI	HMO-NP	MI	402,539	238,901	1,605,971	1,465,794	1,611,525	8.31%
Priority Health	HMO-NP	MI	391,849	215,449	1,376,077	1,245,004	1,376,077	7.12%
Molina HealthCare Of MI, Inc	HMO-P	MI	147,656	69,499	595,503	497,074	595,503	3.08%
Great Lakes Health Plan, Inc	HMO-P	MI	84,701	41,978	441,634	367,726	441,634	2.29%
Healthplus Of MI	HMO-NP	MI	160,571	76,008	413,167	356,846	413,167	2.14%
Humana Ins Co	LH-STK	WI	3,836,602	1,879,192	397,074	331,807	11,655,980	2.06%
Delta Dental Plan Of MI	HMDI	MI	303,476	232,610	396,573	336,163	396,573	2.05%
Health Plan Of Michigan, Inc	HMO-NP	MI	73,680	35,302	330,773	259,713	330,773	1.71%
United Healthcare Ins Co	LH-STK	CT	11,425,484	3,104,865	286,879	225,870	25,862,664	1.48%
Aetna Life Ins Co	LH-STK	CT	33,471,046	3,239,164	234,293	189,413	12,824,671	1.21%
Physicians Health Plan Of Mid-Michigan	HMO-NP	MI	86,681	38,306	209,802	187,404	209,802	1.09%
Healthplus Partrs, Inc	HMO-NP	MI	32,543	8,604	177,613	158,447	177,613	0.92%
OmniCare Health Plan, Inc	HMO-NP	MI	46,315	26,609	177,245	141,570	177,245	0.92%
Midwest Health Plan, Inc	HMO-NP	MI	54,546	33,857	176,690	143,603	176,690	0.91%
BCS Life Ins Co	LH-STK	IL	196,902	80,547	168,278	140,155	196,495	0.87%
McLaren Health Plan, Inc	HMO-P	MI	66,563	40,752	167,083	141,453	167,083	0.86%
Total Health Care, Inc	HMO-NP	MI	53,177	31,360	163,095	122,121	163,095	0.84%
Amer Family Life Assurance Co Of Columbus	LH-STK	NE	55,667,865	4,208,297	140,383	76,040	13,098,934	0.73%
Subtotals:	20		112,705,650	16,251,499	15,796,362	13,854,600	78,222,959	81.75%
Remainder	418		4,283,283,197	433,302,384	3,525,354	2,565,795	648,503,481	18.25%
Grand Totals:	438		4,395,988,847	449,553,883	19,321,716	16,420,394	726,726,439	100.00%

## 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Top 20 Writers - Annuity & Other Fund Deposits					Michigan Direct Premiums Written	Michigan Direct Losses Paid	Total Direct Premiums Written	Michigan Market Share
Regulated Entity	Type	Domicile	Assets	Surplus				
Jackson National Life Ins Co	LH-STK	MI	73,963,867	4,024,057	978,548	82,132	13,959,328	8.62%
Principal Life Ins Co	LH-STK	IA	135,714,882	3,697,486	786,873	30,559	25,988,421	6.93%
AXA Equitable Life Ins Co	LH-STK	NY	142,433,163	6,569,263	644,435	42,380	19,630,557	5.68%
Prudential Annuities Life Assur Corp	LH-STK	CT	43,236,057	438,349	623,781	18,341	8,398,398	5.50%
Lincoln National Life Ins Co	LH-STK	IN	144,609,572	4,957,875	608,689	37,836	21,438,125	5.36%
Pacific Life Ins Co	LH-STK	NE	96,551,166	3,707,975	543,289	11,123	15,382,311	4.79%
Teachers Ins & Annuity Assoc Of Amer	LH-STK	NY	196,409,275	17,827,120	448,673	260,602	9,599,206	3.95%
RiverSource Life Ins Co	LH-STK	MN	79,870,147	2,820,441	428,304	59,006	11,903,081	3.77%
Allianz Life Ins Co Of North Amer	LH-STK	MN	68,688,474	2,441,338	393,449	55,046	9,262,295	3.47%
ING USA Annuity & Life Ins Co	LH-STK	IA	74,257,086	2,552,616	379,672	38,294	18,269,116	3.35%
MetLife Investors USA Ins Co	LH-STK	DE	29,684,128	584,168	295,270	8,765	7,631,737	2.60%
ING Life Ins and Annuity Co	LH-STK	CT	67,000,403	1,388,018	262,831	8,170	10,418,873	2.32%
Variable Annuity Life Ins Co	LH-STK	TX	63,998,991	2,841,306	184,600	16,386	5,896,154	1.63%
AIG Annuity Ins Co	LH-STK	TX	50,552,568	3,731,275	175,382	92,018	3,946,821	1.55%
Amer Investors Life Ins Co	LH-STK	KS	10,586,318	641,712	160,528	14,821	2,675,198	1.41%
New York Life Ins And Annuity Corp	LH-STK	DE	72,685,506	2,649,933	154,956	25,667	7,905,503	1.37%
Metropolitan Life Ins Co	LH-STK	NY	297,465,527	13,003,979	154,450	146,712	44,034,221	1.36%
OM Fin Life Ins Co	LH-STK	MD	18,202,294	702,714	152,613	48,706	2,937,248	1.34%
Prudential Retirement Ins and Annuity Co	LH-STK	CT	61,437,059	945,615	137,268	12,056	10,688,002	1.21%
Massachusetts Mutual Life Ins Co	LH-MUT	MA	119,085,813	8,008,148	134,575	23,864	14,960,890	1.19%
Subtotals:	20		1,846,432,295	83,533,386	7,648,187	1,032,483	264,925,487	67.39%
Remainder	259		2,766,315,641	179,035,701	3,701,433	1,743,354	357,343,344	32.61%
Grand Totals:	279		4,612,747,936	262,569,087	11,349,620	2,775,837	622,268,831	100.00%

### Top 20 Writers - Life

Metropolitan Life Ins Co	LH-STK	NY	297,465,527	13,003,979	484,845	395,623	44,034,221	12.64%
Northwestern Mutual Life Ins Co	LH-MUT	WI	156,332,490	12,105,970	250,221	86,682	13,823,621	6.52%
Lincoln National Life Ins Co	LH-STK	IN	144,609,572	4,957,875	147,520	59,780	21,438,125	3.84%
Prudential Ins Co Of Amer	LH-STK	NJ	252,761,435	6,980,795	116,778	165,996	23,906,304	3.04%
State Farm Life Ins Co	LH-STK	IL	43,307,957	5,255,532	92,388	32,031	3,771,264	2.41%
John Hancock Life Ins Co (USA)	LH-STK	MI	126,026,506	1,523,303	87,821	46,948	24,338,830	2.29%
Aetna Life Ins Co	LH-STK	CT	33,471,046	3,239,164	83,315	77,079	12,824,671	2.17%
AXA Equitable Life Ins Co	LH-STK	NY	142,433,163	6,569,263	79,313	46,176	19,630,557	2.07%
United Of Omaha Life Ins Co	LH-STK	NE	13,227,858	1,358,060	69,482	69,323	2,355,009	1.81%
New York Life Ins Co	LH-MUT	NY	122,753,467	11,959,230	69,034	38,434	16,468,859	1.80%
Massachusetts Mutual Life Ins Co	LH-MUT	MA	119,085,813	8,008,148	68,883	43,893	14,960,890	1.80%
Sun Life Assurance Co Of Canada	LH-USB	MI	14,719,906	550,675	63,729	23,069	2,241,569	1.66%
Primerica Life Ins Co	LH-MUT	MA	5,895,972	1,654,849	54,715	33,339	1,667,951	1.43%
Farm Bureau Life Ins Co Of MI	LH-STK	MI	1,695,448	298,980	52,728	19,183	105,503	1.37%
Protective Life Ins Co	LH-STK	TN	25,800,880	1,796,945	50,907	28,206	4,294,682	1.33%
Pacific Life Ins Co	LH-STK	NE	96,551,166	3,707,975	50,847	21,771	15,382,311	1.33%
Thrivent Financial For Lutherans	FRAT	WI	53,474,099	4,433,621	47,221	32,957	3,355,446	1.23%
Reliastar Life Ins Co	LH-STK	MN	22,384,571	2,325,927	45,481	27,815	3,052,047	1.19%
RiverSource Life Ins Co	LH-STK	MN	79,870,147	2,820,441	44,531	11,907	11,903,081	1.16%
Nationwide Life Ins Co	LH-STK	OH	99,016,728	2,501,087	44,493	8,675	12,429,403	1.16%
Subtotals:	20		1,850,883,750	95,051,818	2,004,251	1,268,885	251,984,346	52.23%
Remainder	408		2,862,800,148	192,266,370	1,832,884	936,947	443,419,399	47.77%
Grand Totals:	428		4,713,683,898	287,318,188	3,837,135	2,205,832	695,403,745	100.00%

## 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Top 20 Writers - Property & Casualty					Michigan Direct Premiums Written	Michigan Direct Losses Paid	Total Direct Premiums Written	Michigan Market Share
Regulated Entity	Type	Domicile	Assets	Surplus				
State Farm Mutual Automobile Ins Co	PC-MUT	IL	104,842,398	63,577,269	1,069,516	707,646	28,434,556	7.21%
Auto Club Group Ins Co	PC-STK	MI	185,852	86,706	899,033	538,039	899,033	6.06%
Home-Owners Ins Co	PC-STK	MI	1,258,655	460,956	804,905	526,751	852,746	5.42%
Citizens Ins Co Of Amer	PC-STK	MI	1,666,672	737,142	611,220	395,207	887,904	4.12%
State Farm Fire And Casualty Co	PC-STK	IL	26,187,616	10,161,463	500,685	291,351	14,823,889	3.37%
MIC Prop & Cas Ins Corp	PC-STK	MI	148,902	45,889	460,396	396,553	518,016	3.10%
Progressive Michigan Ins Co	PC-STK	MI	417,867	144,766	380,974	214,609	380,974	2.57%
Auto-Owners Ins Co	PC-MUT	MI	9,507,239	5,335,672	379,261	252,360	2,253,300	2.56%
Farm Bureau General Ins Co Of MI	PC-STK	MI	325,720	132,541	349,135	233,097	349,135	2.35%
Allstate Ins Co	PC-STK	IL	46,162,434	18,034,538	282,877	191,464	11,949,088	1.91%
Frankenmuth Mutual Ins Co	PC-MUT	MI	981,111	377,674	250,441	125,678	374,704	1.69%
Allstate Prop & Cas Ins Co	PC-STK	IL	68,884	68,135	222,343	87,404	4,486,287	1.50%
MEEMIC Ins Co	PC-STK	MI	123,617	80,768	199,643	106,082	199,669	1.35%
Auto Club Ins Assn	PC-RECIP	MI	3,355,317	1,726,906	175,203	216,738	331,037	1.18%
Accident Fund Ins Co of Amer	PC-STK	MI	2,108,197	656,849	163,758	193,260	440,137	1.10%
Liberty Mutual Fire Ins Co	PC-STK	WI	3,565,128	961,295	160,926	81,502	6,478,377	1.08%
Hastings Mutual Ins Co	PC-MUT	MI	617,887	286,909	151,686	78,602	289,490	1.02%
Federal Ins Co	PC-STK	IN	29,671,057	12,877,179	151,483	87,104	5,976,182	1.02%
Pioneer State Mutual Ins Co	PC-MUT	MI	328,208	195,162	145,130	83,635	145,130	0.98%
Farmers Ins Exchange	PC-RECIP	CA	13,053,162	3,446,738	142,007	92,933	3,631,585	0.96%
Subtotals:	20		244,575,926	119,394,560	7,500,620	4,900,015	83,701,238	50.55%
Remainder	668		949,226,592	355,315,900	7,336,867	3,942,094	266,535,744	49.45%
Grand Totals:	688		1,193,802,518	474,710,461	14,837,487	8,842,109	350,236,982	100.00%

### All Writers - Title Insurance

First Amer Title Ins Co	TITLE	CA	1,873,281	426,527	120,167	13,128	3,312,367	38.17%
Transnation Title Ins Co	TITLE	NE	159,578	22,335	34,119	4,977	274,830	10.84%
Chicago Title Ins Co	TITLE	NE	1,578,158	274,483	31,962	2,127	1,887,296	10.15%
Fidelity National Title Ins Co	TITLE	CA	860,789	237,682	31,839	5,311	1,274,082	10.11%
Lawyers Title Ins Corp	TITLE	NE	614,576	129,286	27,391	7,613	1,215,611	8.70%
Stewart Title Guaranty Co	TITLE	TX	1,082,025	515,901	20,494	5,111	1,455,461	6.51%
Old Republic National Title Ins Co	TITLE	MN	484,404	116,002	15,289	4,409	749,527	4.86%
Commonwealth Land Title Ins Co	TITLE	NE	745,238	254,092	10,317	2,448	1,152,518	3.28%
Ticor Title Ins Co	TITLE	CA	237,995	67,687	6,184	4,297	327,198	1.96%
Security Union Title Ins Co	TITLE	CA	83,986	46,565	5,208	988	63,558	1.65%
United General Title Ins Co	TITLE	CO	119,101	27,974	3,205	23	336,602	1.02%
Investors Title Ins Co	TITLE	NC	105,685	50,103	3,095	303	67,546	0.98%
Guarantee Title & Trust Co	TITLE	OH	7,925	1,219	2,797	513	11,319	0.89%
Ticor Title Ins Co of FL	TITLE	NE	120,872	25,586	1,869	3,848	83,543	0.59%
Commerce Title Ins Co	TITLE	CA	22,293	8,812	498	0	43,573	0.16%
Censtar Title Ins Co	TITLE	TX	29,562	25,142	279	0	39,460	0.09%
Attorneys' Title Ins Fund, Inc	TITLE	FL	324,305	149,828	81	154	345,841	0.03%
Amer Guaranty Title Ins Co	TITLE	OK	14,284	11,508	1	0	3,490	0.00%
Grand Totals:	18		8,464,056	2,390,732	314,793	55,251	12,643,821	100.00%

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

## Recapitulation

Michigan Domiciled Entities				All Insurance Entities			
Type	2007 Count	Change	Michigan Direct Premiums Written	Type	2007 Count	Change	Michigan Direct Premiums Written
LLP65	0	0	0	LLP65	0	0	0
PC-FARM	2	0	89	PC-FARM	2	0	89
PC-GSIP	13	-1	194,091	PC-GSIP	13	-1	194,091
PC-MUT	19	1	1,321,308	PC-MUT	81	2	2,886,180
PC-Other	3	0	73,452	PC-Other	3	0	73,452
PC-RECIP	2	0	195,951	PC-RECIP	14	0	501,935
PC-STK	54	4	5,231,190	PC-S/L	117	2	412,776
Subtotals: P & C	93	4	7,016,080	PC-STK	722	8	10,935,099
				PC-USB	4	0	9,900
COOP64	2	0	15,593	Subtotals: P & C	956	11	15,013,520
FRAT	2	0	37,330	COOP64	2	0	15,593
LH-MUT	2	0	104,458	FRAT	58	-3	299,692
LH-STK	19	0	2,622,356	LH-MUT	36	-2	1,344,994
RELD66	1	0	152	LH-STK	416	-12	19,605,261
Subtotals: L & H	26	0	2,779,888	LH-USB	7	0	103,217
AFDS-NP	2	-1	13,083	RELD66	1	0	152
AFDS-P	11	0	56,053	Subtotals: L & H	520	-17	21,368,909
HMDI	3	0	6,583,584	AFDS-NP	2	-1	13,083
HMO-NP	18	-3	7,286,591	AFDS-P	11	0	56,053
HMO-P	10	1	1,296,223	HMDI	3	0	6,583,584
MEWA	5	0	43,437	HMO-NP	18	-3	7,286,591
Subtotals: Health	49	-3	15,278,972	HMO-P	10	1	1,296,223
<b>Totals: Domestic</b>	<b>168</b>	<b>1</b>	<b>25,074,940</b>	MEWA	6	0	45,345
<b>Entities With Michigan As a Port of Entry</b>				Subtotals: Health	50	-3	15,280,879
LH-USB	5	0	103,196	Title	22	0	314,793
<b>Foreign Entities</b>				<b>Grand Totals:</b>	<b>1,548</b>	<b>-9</b>	<b>51,978,101</b>
PC-MUT	62	1	1,564,872				
PC-RECIP	12	0	305,984				
PC-S/L	117	2	412,776				
PC-STK	668	4	5,703,909				
PC-USB	4	0	9,900				
Subtotals: P & C	863	7	7,997,440				
FRAT	56	-3	262,362				
LH-MUT	34	-2	1,240,536				
LH-STK	397	-12	16,982,905				
LH-USB	2	0	21				
Subtotals: L & H	489	-17	18,485,825				
MEWA	1	0	1,907				
Subtotals: Health	1	0	1,907				
Title	22	0	314,793				
<b>Totals: Foreign</b>	<b>1,375</b>	<b>-10</b>	<b>26,799,966</b>				
<b>Grand Totals:</b>	<b>1,548</b>	<b>-9</b>	<b>51,978,101</b>				

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Domestic Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
AAA Life Ins Co	LH-STK	MI	296,328	68,738	36,056	286,064	72,818
Accident Fund General Ins Co	PC-STK	MI	101,194	29,002	4,710	20,727	28,682
Accident Fund Ins Co of Amer	PC-STK	MI	2,108,197	656,849	163,758	440,137	573,646
Accident Fund Nat'l Ins Co	PC-STK	MI	175,820	47,867	58,959	81,112	43,023
Aenta Health, Inc	HMO-P	MI	6,416	4,974	3,529	3,529	3,521
Affirmative Ins Co of MI	PC-STK	MI	16,930	9,072	22,939	22,939	0
Alliance Health and Life Ins Co	LH-STK	MI	39,985	21,819	104,965	104,965	104,794
Allmerica Financial Benefit Ins Co	PC-STK	MI	15,563	15,562	6,835	76,260	0
Amer Community Mutual Ins Co	LH-MUT	MI	161,585	102,389	98,380	344,729	342,121
Amer Equable, Inc	PC-STK	MI	9,716	8,054	675	675	744
Amer Fellowship Mutual Ins Co	PC-MUT	MI	9,878	3,580	7,171	7,171	5,634
Amer Physicians Assurance Corp	PC-STK	MI	839,825	210,790	47,583	135,415	130,802
Amer Road Ins Co	PC-STK	MI	675,245	366,369	105,521	282,383	154,917
Amerisure Ins Co	PC-STK	MI	607,016	166,796	24,051	209,328	180,962
Amerisure Mutual Ins Co	PC-MUT	MI	1,719,367	594,760	58,666	465,190	422,245
Amerisure Partners Ins Co	PC-STK	MI	10,884	10,843	0	0	0
Ameritrust Ins Corp	PC-STK	MI	71,155	18,989	0	6,908	28,021
Ansur America Ins Co	PC-STK	MI	55,762	30,162	1,242	30,692	-1,211
APSpecialty Ins Corp	PC-STK	MI	26,059	24,595	0	0	0
Associated Mutual Hospital Svc Of MI	COOP64	MI	10,909	6,646	15,436	16,143	15,525
Asure Worldwide Ins Co	PC-STK	MI	12,135	12,092	0	0	0
Auto Club Group Ins Co	PC-STK	MI	185,852	86,706	899,033	899,033	66,104
Auto Club Ins Assn	PC-RECI	MI	3,355,317	1,726,906	175,203	331,037	1,190,240
Auto Club Life Ins Co	LH-STK	MI	430,009	58,039	9,548	15,102	46,094
Auto-Owners Ins Co	PC-MUT	MI	9,507,239	5,335,672	379,266	2,253,300	2,412,665
Auto-Owners Life Ins Co	LH-STK	MI	2,009,921	224,668	121,410	224,725	222,682
Blue Care Network Of MI	HMO-NP	MI	785,302	244,110	2,153,459	2,162,665	2,150,302
Blue Care Of Michigan, Inc	AFDS-NP	MI	6,311	6,240	4,815	4,815	4,814
Blue Cross & Blue Shield Of MI	HMDI	MI	5,418,152	2,406,089	6,184,770	6,184,770	6,184,770
BlueCaid of MI	HMO-NP	MI	11,773	2,980	44,655	44,655	44,299
Bristol West Preferred Ins Co	PC-STK	MI	30,043	10,276	37,067	37,067	2,859
Brooke Life Ins Co	LH-STK	MI	4,210,876	2,508,309	20,520	21,136	20,893
Canada Life Ins Co of America	LH-STK	MI	2,049,365	170,499	50	3,283	4,962
CareSource MI	HMO-NP	MI	37,365	9,487	137,641	137,641	137,337
Cherokee Ins Co	PC-STK	MI	249,313	80,982	81,563	166,213	147,397
CIM Ins Corp	PC-STK	MI	17,419	13,635	-215	10,855	0
Citizens Ins Co Of Amer	PC-STK	MI	1,666,672	737,142	611,220	887,904	700,051
Cooperative Optical Services	AFDS-NP	MI	2,350	-55	8,269	8,269	8,269
CPA Ins Co	RELD66	MI	23,973	22,783	152	1,623	1,623
DaimlerChrysler Ins Co	PC-STK	MI	218,493	76,116	15,542	112,376	114,781
DaVita VillageHealth of MI, Inc.	HMO-P	MI	2,584	2,552	0	0	0
Delta Dental Plan Of MI	HMDI	MI	303,476	232,610	396,573	396,573	396,573
Dencap Dental Plans	AFDS-P	MI	336	293	1,499	1,499	1,499
Dorinco Rein Co	PC-STK	MI	1,938,129	589,288	86,956	131,208	109,267

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Domestic Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Farm Bureau General Ins Co Of MI	PC-STK	MI	325,720	132,541	349,135	349,135	120,910
Farm Bureau Life Ins Co Of MI	LH-STK	MI	1,695,448	298,980	102,953	105,503	100,929
Farm Bureau Mutual Ins Co Of MI	PC-MUT	MI	578,530	266,863	128,757	128,757	293,835
Farmers & Merchants Mutual Fire Ins	PC-MUT	MI	21,817	16,623	4,298	4,298	3,655
Farmers Mut Fire Ins Co Of Huron Cnty, MI	PC-FARM	MI	2,878	2,859	52	52	43
Farmers Mutual Fire Ins Co Of Branch Cnty	PC-MUT	MI	2,375	1,606	1,071	1,071	705
Farmers' Mutual Ins Co	PC-MUT	MI	3,392	2,507	1,254	1,254	737
Fidelis SecureCare of MI, Inc	HMO-P	MI	6,622	1,718	19,290	19,290	19,290
First Commonwealth Ltd Health Serv Corp of MI	AFDS-P	MI	3,028	2,046	9,947	9,947	9,947
Foremost Ins Co Grand Rapids	PC-STK	MI	1,902,836	615,618	21,498	958,059	1,333,739
Foremost Prop & Cas Ins Co	PC-STK	MI	39,518	15,442	3,715	115,463	0
Foremost Signature Ins Co	PC-STK	MI	56,901	17,844	16,804	159,218	0
Fortuity Ins Co	PC-STK	MI	12,995	12,923	0	0	0
Founders Ins Co of MI	PC-STK	MI	7,647	5,883	0	0	0
Frankenmuth Mutual Ins Co	PC-MUT	MI	981,111	377,674	250,441	374,704	403,769
Fremont Ins Co	PC-STK	MI	75,012	33,777	53,956	53,956	44,004
Genesee Cnty Self-Insured Trust Pool	PC-GSIP	MI	7,338	5,424	1,142	1,142	1,142
Gleaner Life Ins Society	FRAT	MI	1,148,018	92,938	34,704	66,771	64,003
Golden Dental Plans, Inc	AFDS-P	MI	1,410	1,021	6,806	6,806	6,806
Grand Valley Health Plan, Inc	HMO-P	MI	10,483	5,647	33,349	33,349	32,921
Great Lakes Casualty Ins Co	PC-STK	MI	9,974	3,739	9,501	9,501	7,137
Great Lakes Health Plan, Inc	HMO-P	MI	84,701	41,978	441,634	441,634	440,432
Great Lakes Mutual Ins Co	PC-MUT	MI	4,207	2,518	2,125	2,125	1,715
Great Midwest Ins Co	PC-STK	MI	28,292	14,591	4,675	17,348	6,922
Guarantee Co of North America USA, The	PC-STK	MI	167,996	109,759	1,174	18,618	14,904
Harleysville Lake States Ins Co	PC-STK	MI	300,757	73,785	39,744	82,089	93,110
Hastings Mutual Ins Co	PC-MUT	MI	617,887	286,909	151,686	289,490	265,514
Health Alliance Plan Of MI	HMO-NP	MI	402,539	238,901	1,605,971	1,611,525	1,611,525
Health Plan Of Michigan, Inc	HMO-NP	MI	73,680	35,302	330,773	330,773	330,156
HealthPlus Ins Co	LH-STK	MI	9,885	8,329	3,527	3,527	3,389
Healthplus Of MI	HMO-NP	MI	160,571	76,008	413,167	413,167	412,622
Healthplus Partrs, Inc	HMO-NP	MI	32,543	8,604	177,613	177,613	176,986
Heritage Vision Plans, Inc	AFDS-P	MI	1,888	943	6,857	6,857	6,857
Home-Owners Ins Co	PC-STK	MI	1,258,655	460,956	804,905	852,746	690,277
Household Life Ins Company	LH-STK	MI	943,406	424,004	8,287	245,440	266,025
IBA Health & Life Assurance Co	LH-STK	MI	29,367	22,585	67,476	67,476	67,461
Insurance Corp Of Amer	PC-STK	MI	35,478	10,805	0	0	6
Intrepid Ins Co	PC-STK	MI	41,202	24,823	119	28,924	15,183
Jackson National Life Ins Co	LH-STK	MI	73,963,867	4,024,057	1,018,251	13,959,328	13,819,829
John Hancock Life Ins Co (USA)	LH-STK	MI	126,026,506	1,523,303	987,011	24,338,830	14,039,631
Liberty Personal Ins Co	PC-STK	MI	22,544	22,404	0	0	0
Liberty Union Life Assurance Co	LH-STK	MI	11,495	4,462	28,939	28,939	30,339
LifeSecure Ins Co	LH-STK	MI	19,891	18,697	206	13,338	96
Locomotive Engineers & Conductors	COOP64	MI	17,170	5,763	157	19,453	19,453

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Domestic Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
MASB-SEG Property/Casualty Pool	PC-GSIP	MI	67,358	43,618	32,170	32,170	21,026
McLaren Health Plan, Inc	HMO-P	MI	66,563	40,752	167,083	167,083	166,379
MEEMIC Ins Co	PC-STK	MI	123,617	80,768	199,643	199,669	0
MemberSelect Ins Co	PC-STK	MI	225,411	137,636	101,695	234,604	66,104
MERS Premier Hlth & Welfare Ben Program Trst	MEWA	MI	7,868	3,540	16,752	16,752	15,145
Metro Assoc For Improved School Leg	PC-GSIP	MI	8,555	3,746	9,362	9,362	4,963
Mfg. Technology Mut. Ins. Co.	PC-MUT	MI	26,762	12,943	17,301	17,301	16,413
MHA Ins Co	PC-STK	MI	405,357	117,213	62,087	101,125	66,410
MI Automobile Ins Placement Facility	PC-OTHER	MI	54,482	1,219	16,793	16,793	16,259
MI Basic Property Ins Assn	PC-OTHER	MI	54,486	-19,455	56,659	56,659	56,659
MI Catastrophic Claims Association	PC-OTHER	MI	10,725,571	-632,650	0	0	964,171
MI Community College Risk Mgmt Auth	PC-GSIP	MI	12,674	2,518	4,355	4,355	0
MI Construction Industry Mutual Ins Co	PC-MUT	MI	125,899	45,172	27,403	43,077	42,137
MI County Road Commission Self-Ins	PC-GSIP	MI	68,402	44,082	19,293	19,293	12,480
MI Dental Plan	HMDI	MI	4,371	4,060	2,241	2,241	2,241
MI Eyecare Associates	AFDS-P	MI	263	263	0	0	0
MI Health Ins Co	LH-STK	MI	11,823	7,893	24,775	24,775	24,775
MI Insurance Co	PC-STK	MI	97,559	32,333	115,975	115,975	23,036
MI Lumber & Bldg Mat Assn Empl	MEWA	MI	0	0	0	0	0
MI Millers Mutual Ins Co	PC-MUT	MI	315,524	128,611	107,700	185,097	148,889
MI Municipal League Liab & Prop Pool	PC-GSIP	MI	84,810	39,793	24,338	24,338	15,051
MI Municipal Risk Mgmt Authority	PC-GSIP	MI	347,994	186,425	51,744	51,744	35,806
MI Professional Ins Exchange	PC-RECI	MI	98,377	31,562	20,748	20,748	17,360
MI Retailers Assn MEWA Trust	MEWA	MI	782	654	859	859	859
MI Township Participating Plan	PC-GSIP	MI	829	38	29,818	29,818	0
MI Transit Ins Pool	PC-GSIP	MI	11,190	1,307	3,627	3,627	2,492
MIC General Ins Corp	PC-STK	MI	45,652	13,022	140,886	176,415	0
MIC Prop & Cas Ins Corp	PC-STK	MI	148,902	45,889	460,396	518,016	0
Mich Prof Ins Auth	PC-GSIP	MI	2,921	2,921	1,903	1,903	0
Middle Cities Risk Mgmt Trust	PC-GSIP	MI	24,134	16,418	11,318	11,318	6,525
Midwest Health Plan, Inc	HMO-NP	MI	54,546	33,857	176,690	176,690	176,195
Midwestern Dental Plans	AFDS-P	MI	855	676	8,628	8,628	8,628
MLBA Mutual Ins Co	PC-MUT	MI	12,416	8,421	1,958	1,958	1,842
Molina HealthCare Of MI, Inc	HMO-P	MI	147,656	69,499	595,503	595,503	595,257
Motors Ins Corp	PC-STK	MI	6,601,523	1,883,418	8,855	286,660	2,607,571
Mutual Of Detroit Ins Co	LH-MUT	MI	76,218	17,826	6,077	6,230	6,191
National Foot Care Program	AFDS-P	MI	1,051	-1,439	1,436	2,819	2,819
North Pointe Ins Co	PC-STK	MI	107,742	38,555	18,953	61,263	54,020
Northern Mutual Ins Co	PC-MUT	MI	24,412	16,162	10,035	10,035	7,953
OmniCare Health Plan, Inc	HMO-NP	MI	46,315	26,609	177,245	177,245	176,086
Ottawa County, MI Ins Authority	PC-GSIP	MI	20,282	10,585	1,810	1,810	1,406
Paramount Care Of MI, Inc	HMO-P	MI	16,522	8,738	35,835	35,835	35,543
PHP of Mid-Michigan-Family Care	HMO-NP	MI	16,476	6,646	42,173	42,173	41,977
PHPMM Ins Co	LH-STK	MI	8,706	8,415	266	266	262

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Domestic Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Physicians Health Plan Of Mid-Michigan	HMO-NP	MI	86,681	38,306	209,802	209,802	207,452
Physicians Health Plan Of South MI	HMO-NP	MI	22,582	11,439	63,418	63,418	62,591
Physicians Health Plan Of Southwest MI	HMO-NP	MI	6,205	6,074	-6	-6	-6
Pioneer State Mutual Ins Co	PC-MUT	MI	328,208	195,162	145,130	145,130	125,785
Priority Health	HMO-NP	MI	391,849	215,449	1,376,077	1,376,077	1,375,182
Priority Health Govt Programs, Inc	HMO-NP	MI	24,717	11,445	119,820	119,820	119,654
Priority Health Ins Co	LH-STK	MI	19,638	9,619	45,557	45,557	45,487
Pro Care Health Plan, Inc	HMO-P	MI	1,817	1,651	0	0	-32
Professionals Direct Ins Co	PC-STK	MI	44,980	14,965	7,033	26,081	18,146
Progressive Marathon Ins Co	PC-STK	MI	219,537	75,123	130,615	130,615	213,571
Progressive Michigan Ins Co	PC-STK	MI	417,867	144,766	380,974	380,974	428,313
Pronational Ins Co	PC-STK	MI	1,138,601	246,800	40,870	157,402	152,284
Retailers Mut Ins Co	PC-MUT	MI	13,222	9,049	2,990	2,990	2,819
Sanilac Mutual Ins Co	PC-MUT	MI	1,195	889	573	573	412
Sebewaing Mutual Fire Ins Co Of Huron	PC-FARM	MI	2,787	2,777	37	37	47
Southeast MI Partners Plus Health Benefit Pla	MEWA	MI	1,834	593	4,713	4,713	4,713
Southern Michigan Ins Co	PC-STK	MI	6,489	5,145	0	0	0
Southern-Owners Ins Co	PC-STK	MI	336,343	142,532	0	135,900	109,346
Star Ins Co	PC-STK	MI	524,581	188,381	11,964	226,118	158,599
SVS Vision Managed Care, Inc	AFDS-P	MI	3,812	1,951	5,668	11,898	11,898
Theramatrix PT Plan, Inc	AFDS-P	MI	260	247	0	0	0
Titan Ins Co	PC-STK	MI	83,774	78,168	77,242	83,326	0
Total Health Care USA, Inc	HMO-NP	MI	15,152	10,063	28,046	28,046	27,904
Total Health Care, Inc	HMO-NP	MI	53,177	31,360	163,095	163,095	162,846
Ultimed HMO Of Michigan, Inc	HMO-P	MI	0	0	0	0	0
United Concordia Dental Plans Of the Midwest	AFDS-P	MI	4,402	3,532	14,846	16,461	16,461
United Dental Care of MI, Inc	AFDS-P	MI	702	675	366	366	366
Upper Peninsula Health Plan, Inc	HMO-NP	MI	22,630	13,218	66,951	66,951	66,798
US Health and Life Ins Co	LH-STK	MI	31,210	9,280	42,478	43,543	26,753
USF Ins Co	PC-STK	MI	142,136	51,489	1,273	63,867	27,497
Vista Life Ins Co	LH-STK	MI	40,796	34,646	78	78	-3,664
West MI Health Ins Pool	MEWA	MI	5,250	1,181	21,114	21,114	21,114
West MI Risk Mgmt Trust	PC-GSIP	MI	3,824	2,792	3,213	3,213	1,620
Williamsburg National Ins Co	PC-STK	MI	89,306	21,846	61	41,446	31,944
Wolverine Mutual Ins Co	PC-MUT	MI	46,572	15,316	23,482	38,045	29,761
Woman's Life Ins Soc	FRAT	MI	184,371	32,840	2,626	8,852	8,695
Totals:	168		275,197,181	30,457,460	25,074,940	69,025,368	59,725,016

Alien Regulated Entities With Michigan as Port of Entry	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Canada Life Assurance Co	LH-USB	MI	3,357,531	184,687	3,658	184,144	-35,223
Crown Life Ins Co	LH-USB	MI	414,453	105,883	1,050	57,804	10,051

## 2007 OFIR ANNUAL REPORT

*(amounts in thousands of dollars)*

<b>Alien Regulated Entities With Michigan as Port of Entry</b>	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Great-West Life Assurance Co	LH-USB	MI	145,616	36,815	1,666	21,856	5,568
London Life Ins Co	LH-USB	MI	85,121	28,407	0	0	13,320
Sun Life Assurance Co Of Canada	LH-USB	MI	14,719,906	550,675	96,822	2,241,569	2,433,137
Totals:	5		18,722,626	906,468	103,196	2,505,373	2,426,852

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
21st Century Casualty Ins Co	PC-STK	CA	12,289	11,186	0	15,351	0
21st Century Ins Co	PC-STK	CA	1,552,779	662,655	0	1,249,031	1,318,638
5 Star Life Ins Co	LH-STK	LA	165,974	52,275	669	95,423	90,432
ACA Financial Guaranty Corp	PC-STK	MD	691,792	229,140	0	98,696	105,471
ACACIA Life Ins Co	LH-STK	DC	1,647,280	341,355	622	112,816	84,442
Accredited Surety & Casualty Co, Inc	PC-STK	FL	32,600	22,236	91	13,454	12,186
ACE American Ins Co	PC-STK	PA	7,799,064	1,976,240	76,328	4,192,501	1,281,222
ACE Capital Title Rein Co	TITLE	NY	44,707	26,075	0	0	2
ACE Fire Underwriters Ins Co	PC-STK	PA	90,805	58,608	326	119,587	6,963
ACE Indemnity Ins Co	PC-STK	PA	32,410	14,201	0	60	6,963
ACE Life Ins Co	LH-STK	CT	19,663	13,663	0	28	3,186
ACE Prop & Cas Ins Co	PC-STK	PA	5,965,997	1,880,058	8,840	1,339,145	1,218,554
ACIG Ins Co	PC-STK	IL	288,262	78,228	96	16,434	81,612
Acstar Ins Co	PC-STK	IL	89,619	31,610	321	10,755	9,232
Acuity, A Mutual Ins Co	PC-MUT	WI	1,865,025	705,400	37,271	809,784	765,946
Admiral Indemnity Co	PC-STK	DE	71,494	30,201	0	59,770	14,058
Admiral Ins Co	PC-S/L	DE	2,756,182	1,215,398	10,078	578,670	571,640
Adriatic Ins Co	PC-S/L	DE	68,847	52,747	54	20,065	16,396
Advantage Workers Comp Ins Co	PC-STK	IN	109,489	56,895	0	51,554	41,285
Aegis Security Ins Co	PC-STK	PA	78,029	38,876	2,164	65,628	48,434
Aetna Health And Life Ins Co	LH-STK	CT	1,581,600	208,530	0	0	311,068
Aetna Health Ins Co	LH-STK	PA	80,278	41,045	0	117,084	180,978
Aetna Ins Co Of CT	PC-STK	CT	18,985	17,678	154	8,492	492
Aetna Life Ins Co	LH-STK	CT	33,471,046	3,239,164	374,257	12,824,671	12,448,827
Affiliated FM Ins Co	PC-STK	RI	1,361,223	675,505	7,620	609,312	333,678
Affinity Mutual Ins Co	PC-MUT	OH	15,504	9,151	239	7,436	4,012
AGL Life Assurance Co	LH-STK	PA	5,091,051	11,382	133,710	459,852	454,501
Agri General Ins Co	PC-STK	IA	601,367	456,977	3,397	294,282	497,991
AIG Advantage Ins. Co.	PC-STK	MN	71,130	22,398	0	37,860	50,378
AIG Annuity Ins Co	LH-STK	TX	50,552,568	3,731,275	175,496	3,946,821	1,350,562
AIG Casualty Co	PC-STK	PA	4,835,790	1,884,024	1,434	248,670	1,023,234
AIG Centennial Ins Co	PC-STK	PA	630,729	335,025	581	91,640	302,271
AIG Life Ins Co	LH-STK	DE	10,790,222	444,806	52,504	800,989	463,040
AIG Premier Ins Co	PC-STK	PA	374,283	162,143	38	77,738	218,307
AIG SunAmer Life Assur Co	LH-STK	AZ	35,072,377	1,154,680	69,798	4,383,183	4,325,465
Aioi Ins Co	PC-STK	NY	68,243	30,470	0	998	21,810
AIU Ins Co	PC-STK	NY	3,104,196	1,398,492	23,567	2,262,929	698,997
AIX Spec Ins Co	PC-S/L	DE	47,722	21,533	0	81	32,819
Alamance Ins Co	PC-STK	IL	407,045	244,993	0	0	62,343
ALEA North America Ins Co	PC-STK	NY	453,690	164,220	64	1,622	-2,254
Alfa Mutual Ins Co	PC-MUT	AL	1,339,810	974,149	0	641,967	151,742
All Amer Ins Co	PC-STK	OH	232,773	98,887	13	56,324	89,392
All Savers Ins Co	LH-STK	IN	4,180	3,900	0	0	44
Alleghany Casualty Co	PC-STK	PA	22,171	16,260	261	31,600	29,860

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Alliance Assurance Co Of Amer	PC-STK	NY	7,170	7,170	0	0	0
Alliance Of Transylvanian Saxons	FRAT	OH	65,066	5,417	21	2,725	2,725
Allianz Global Risks US Ins Co	PC-STK	CA	4,707,822	3,599,463	29,157	873,006	274,926
Allianz Life Ins Co Of North Amer	LH-STK	MN	68,688,474	2,441,338	404,156	9,262,295	9,030,364
Allianz Underwriters Ins Co	PC-S/L	CA	83,094	55,978	0	576	5,611
Allied Prop & Cas Ins Co	PC-STK	IA	140,231	92,729	87,998	691,890	0
Allied World Assur Co US Inc	PC-S/L	DE	164,050	75,189	2,241	137,247	9,666
Allied World Nat'l Assur Co	PC-STK	NH	120,628	56,105	793	53,500	7,909
Allmerica Financial Alliance Ins Co	PC-STK	NH	16,034	16,003	0	132,963	0
Allstate Assur Co	LH-STK	IL	11,369	8,651	0	113	0
Allstate Fire and Casualty Ins Co	PC-STK	IL	16,819	16,575	0	1,586,628	0
Allstate Indemnity Co	PC-STK	IL	77,000	73,541	40,415	5,038,816	0
Allstate Ins Co	PC-STK	IL	46,162,434	18,034,538	282,877	11,949,088	25,055,797
Allstate Life Ins Co	LH-STK	IL	77,027,929	2,622,499	135,987	6,230,827	7,873,326
Allstate Prop & Cas Ins Co	PC-STK	IL	68,884	68,135	222,343	4,486,287	0
Alta Health & Life Ins Co	LH-STK	IN	130,839	58,075	127	42,475	41,646
Amalgamated Life And Health Ins Co	LH-STK	IL	7,110	3,983	0	9,181	6,775
Ambac Assurance Corp	PC-STK	WI	10,791,564	3,316,143	4,718	905,000	778,282
Amco Ins Co	PC-STK	IA	966,595	487,220	23,787	1,491,991	0
Amer Agricultural Ins Co	PC-STK	IN	1,290,394	553,270	5,805	19,162	460,174
Amer Alternative Ins Corp	PC-STK	DE	421,563	154,475	11,038	585,958	35,323
Amer Automobile Ins Co	PC-STK	MO	447,530	196,678	2,493	442,442	116,232
Amer Bankers Ins Co Of FL	PC-STK	FL	1,348,065	373,665	17,986	1,199,043	770,412
Amer Bankers Life Assurance Co Of FL	LH-STK	FL	789,738	127,417	5,020	516,427	162,590
Amer Business & Personal Ins Mutual	PC-MUT	DE	41,817	21,489	0	0	114
Amer Capitol Ins Co	LH-STK	TX	70,098	8,166	100	4,992	2,803
Amer Casualty Co Of Reading, PA	PC-STK	PA	120,743	120,722	12,682	577,282	0
Amer Commerce Ins Co	PC-STK	OH	387,942	145,647	382	177,883	153,853
Amer Compensation Ins Co	PC-STK	MN	130,270	46,521	13,933	46,407	42,007
Amer Continental Ins Co	LH-STK	TN	10,697	8,499	0	2,556	2,556
Amer Contractors Indemnity Co	PC-STK	CA	248,801	63,397	638	96,722	91,378
Amer Country Ins Co	PC-STK	IL	65,782	18,894	4,376	43,631	12,055
Amer Creditors Life Ins Co	LH-STK	DE	17,065	12,563	0	0	0
Amer Economy Ins Co	PC-STK	IN	1,525,339	400,334	10,600	426,826	791,860
Amer Empire Ins Co	PC-STK	OH	51,967	25,639	0	0	8,573
Amer Empire Surplus Lines Ins Co	PC-S/L	DE	384,369	143,672	2,183	137,339	77,154
Amer Equity Ins Co	PC-S/L	AZ	102,452	100,865	0	0	-23,402
Amer Equity Investment Life Ins Co	LH-STK	IA	12,697,227	990,801	93,244	2,143,654	2,060,425
Amer Equity Specialty Ins Co	PC-STK	CT	78,052	29,679	823	14,715	20,318
Amer European Ins Co	PC-STK	NH	188,544	71,344	1,201	37,095	42,173
Amer Family Home Ins Co	PC-STK	FL	447,224	139,025	6,351	193,877	211,194
Amer Family Life Assurance Co Of Columbus	LH-STK	NE	55,667,865	4,208,297	144,667	13,098,934	13,086,903
Amer Family Life Ins Co	LH-STK	WI	3,893,876	501,515	586	455,950	408,453
Amer Federation Ins Co	PC-STK	FL	19,542	14,531	1,148	20,747	0

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Amer Fidelity Assurance Co	LH-STK	OK	3,211,690	213,644	8,585	755,530	569,351
Amer Fidelity Life Ins Co	LH-STK	FL	477,240	77,055	305	15,074	16,471
Amer Fire And Casualty Co	PC-STK	OH	37,033	35,688	6,034	188,786	0
Amer Founders Life Ins Co	LH-STK	TX	527,926	35,142	122	14,378	13,479
Amer Fraternal Union	FRAT	MN	23,496	1,208	186	1,581	1,546
Amer Fuji Fire And Marine Ins Co	PC-STK	IL	106,084	80,902	-49	78	847
Amer General Assurance Co	LH-STK	IL	287,681	144,673	8,238	179,039	-105,075
Amer General Indemnity Co	PC-STK	IL	50,952	38,796	-66	1,749	-545
Amer General Life & Accident Ins Co	LH-STK	TN	9,134,161	546,887	17,097	952,517	881,683
Amer General Life Ins Co	LH-STK	TX	36,523,158	5,694,834	64,249	4,279,928	2,720,822
Amer General Property Ins Co	PC-STK	TN	66,312	52,518	0	1,132	1,116
Amer Guarantee And Liability Ins Co	PC-STK	NY	339,932	153,621	24,647	1,207,836	0
Amer Guaranty Title Ins Co	TITLE	OK	14,284	11,508	1	3,490	3,490
Amer Hardware Mutual Ins Co	PC-MUT	OH	332,854	129,075	2,447	84,466	113,788
Amer Health And Life Ins Co	LH-STK	TX	1,676,168	886,185	7,077	262,961	292,273
Amer HealthCare Indemnity Co	PC-STK	DE	112,089	40,128	0	35,052	35,817
Amer Heritage Life Ins Co	LH-STK	FL	1,376,587	203,963	4,295	491,450	455,809
Amer Home Assurance Co	PC-STK	NY	28,856,269	7,296,956	88,320	6,744,998	7,659,986
Amer Home Life Ins Co, The	LH-MUT	KS	164,090	14,637	75	20,279	18,928
Amer Income Life Ins Co	LH-STK	IN	1,705,887	221,186	20,079	488,917	488,683
Amer Ins Co	PC-STK	OH	1,655,051	656,413	14,911	677,527	534,669
Amer International Ins Co	PC-STK	NY	1,221,895	367,164	19,264	367,791	520,578
Amer International Life Asr Co Of NY	LH-STK	NY	7,092,807	552,637	364	479,470	448,483
Amer International South Ins Co	PC-STK	PA	37,913	36,832	1,815	497,986	0
Amer International Specialty Lines Ins Co	PC-S/L	AK	2,817,833	637,566	40,876	1,550,629	258,560
Amer Interstate Ins Co	PC-STK	LA	851,627	241,022	157	317,911	246,869
Amer Investors Life Ins Co	LH-STK	KS	10,586,318	641,712	160,534	2,675,198	2,674,884
Amer Manufacturers Mutual Ins Co	PC-MUT	IL	10,942	10,881	18	1,010	0
Amer Maturity Life Ins Co	LH-STK	CT	65,198	41,256	37	3,767	102
Amer Medical Security Life Ins Co	LH-STK	WI	237,916	153,420	28,391	280,257	279,447
Amer Memorial Life Ins Co	LH-STK	SD	1,935,452	86,428	1,738	293,176	293,392
Amer Modern Home Ins Co	PC-STK	OH	877,725	282,623	11,965	374,660	375,455
Amer Modern Life Ins Co	LH-STK	OH	63,526	22,068	6,427	44,752	12,313
Amer Modern Select Ins Co	PC-STK	OH	82,946	22,225	965	44,994	39,110
Amer Motorists Ins Co	PC-STK	IL	23,859	23,201	-17	3,224	0
Amer National Ins Co	LH-STK	TX	13,839,936	2,164,812	91,089	1,714,333	1,671,822
Amer National Life Ins Of TX	LH-STK	TX	140,309	44,191	2,924	78,871	76,461
Amer Nat'l Prop and Cas Co	PC-STK	MO	1,181,719	493,986	1,957	665,356	573,228
Amer Pet Ins Co	PC-STK	NY	10,266	10,258	0	0	0
Amer Phoenix Life And Reassurance Co	LH-STK	CT	69,903	58,566	0	0	825
Amer Public Life Ins Co	LH-STK	OK	77,027	15,052	170	43,918	46,550
Amer Reliable Ins Co	PC-STK	AZ	371,217	104,540	16,916	328,087	175,121
Amer Republic Corp Ins Co	LH-STK	NE	8,598	7,996	0	365	365
Amer Republic Ins Co	LH-STK	IA	475,303	215,831	703	395,891	532,317

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Amer Safety Casualty Ins Co	PC-STK	OK	181,191	82,367	54	23,760	21,577
Amer Safety Indemnity Co	PC-S/L	OK	222,060	65,576	2,018	151,275	46,445
Amer Security Ins Co	PC-STK	DE	1,660,438	715,785	56,988	1,302,104	1,307,870
Amer Select Ins Co	PC-STK	OH	172,993	60,574	98	59,715	79,687
Amer Sentinel Ins Co	PC-STK	PA	22,884	11,048	21	6,639	16,145
Amer Service Ins Co	PC-STK	IL	87,773	29,767	0	93,297	36,725
Amer Southern Home Ins Co	PC-STK	FL	89,902	24,277	0	60,683	31,288
Amer Specialty Health Ins Co	LH-STK	IL	8,265	6,950	-1	4,060	4,785
Amer States Ins Co	PC-STK	IN	2,069,993	512,064	14,848	654,118	1,074,667
Amer States Preferred Ins Co	PC-STK	IN	241,124	78,546	0	77,445	113,123
Amer Surety Co	PC-STK	IN	15,353	13,039	7	8,891	8,891
Amer United Life Ins Co	LH-STK	IN	14,032,818	677,927	108,812	2,105,977	2,050,939
Amer Western Home Ins Co	PC-S/L	OK	194,566	38,726	553	169,035	70,398
Amer Zurich Ins Co	PC-STK	IL	263,666	178,246	11,259	699,628	0
Americo Financial Life & Annuity Ins Co	LH-STK	TX	3,735,648	225,448	9,765	330,211	330,975
Amerin Guaranty Corp	PC-STK	IL	223,527	-11,372	29	32,161	19,253
Ameriprise Ins Co	PC-STK	WI	48,998	48,658	0	84	0
Ameritas Life Ins Corp	LH-MUT	NE	6,392,307	878,120	15,741	1,097,628	1,125,062
Amex Assurance Co	PC-STK	IL	232,391	145,669	5,275	365,389	81,834
Amguard Ins Co	PC-STK	PA	263,526	61,531	126	58,991	69,187
Amica Life Ins Co	LH-STK	RI	923,146	158,641	672	92,342	73,415
Amica Mutual Ins Co	PC-MUT	RI	4,077,430	2,289,876	20,712	1,267,062	1,303,593
Anesthesiologists Professional Assurance Co	PC-STK	FL	90,089	26,495	0	18,572	11,777
Annuity & Life Reassurance Amer, Inc	LH-STK	CT	11,886	11,722	29	4,603	0
Annuity Investors Life Ins Co	LH-STK	OH	1,739,485	65,936	20,822	319,271	319,271
Anthem Life Ins Co	LH-STK	IN	276,394	64,145	242	192,468	168,926
Appalachian Ins Co	PC-S/L	RI	216,282	117,083	0	14,486	54,312
ARAG Ins Co	PC-STK	IA	46,913	32,326	1,439	40,400	48,950
Arch Excess & Surplus Ins Co	PC-S/L	NE	27,902	25,429	0	3,059	26
Arch Ins Co	PC-STK	MO	1,464,994	540,548	25,515	1,311,392	311,789
Arch Rein Co	PC-STK	NE	1,114,503	718,980	0	72	94,083
Arch Specialty Ins Co	PC-S/L	NE	441,481	288,608	6,818	641,732	-23,572
Argonaut Great Central Ins Co	PC-STK	IL	165,524	78,165	8,341	160,182	-18,810
Argonaut Ins Co	PC-STK	IL	1,564,622	466,661	2,513	163,817	299,044
Argonaut Midwest Ins Co	PC-STK	IL	74,994	47,700	2,448	67,107	-68
Armed Forces Ins Exchange	PC-RECIP	KS	147,828	73,165	470	80,567	57,592
Arrowood Surplus Lines Ins Co	PC-S/L	DE	296,093	164,388	0	-49	119
Aspen Ins UK Ltd	PC-S/L	NY	1,194,344	384,186	0	0	391,027
Aspen Specialty Ins Co	PC-S/L	ND	238,975	103,210	997	91,660	56,820
Associated Indemnity Corp	PC-STK	CA	177,620	71,836	3,360	223,431	46,493
Associated International Ins Co	PC-S/L	IL	214,977	96,991	752	32,875	27,643
Assurance Co Of Amer	PC-STK	NY	91,259	19,656	3,767	520,014	0
Assured Guaranty Corp	PC-STK	MD	1,361,539	399,571	0	159,203	170,564
Assurity Life Ins Co	LH-STK	NE	2,189,168	245,521	34,521	278,839	239,786

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Athena Assurance Co	PC-STK	MN	198,335	59,673	-23	564	52,329
Atlanta Life Ins Co	LH-STK	GA	75,639	19,375	230	5,300	69,965
Atlantic Casualty Ins Co	PC-S/L	NC	168,699	54,227	281	87,554	52,622
Atlantic Ins Co	PC-STK	TX	35,706	34,644	0	0	0
Atlantic Mutual Ins Co	PC-MUT	NY	428,678	39,324	-0	28,055	20,731
Atlantic Specialty Ins Co	PC-STK	NY	67,933	50,831	65	26,415	9,713
Atradius Trade Credit Ins Inc	PC-STK	MD	105,069	50,357	1,793	76,484	20,462
Attorneys' Title Ins Fund, Inc	TITLE	FL	324,305	149,828	81	345,841	345,668
Aurora National Life Assurance Co	LH-STK	CA	3,246,604	300,880	31	48,278	-1,696
Austin Mutual Ins Co	PC-MUT	MN	137,305	70,971	1,446	145,222	78,265
Automobile Ins Co Of Hartford, CT	PC-STK	CT	964,544	308,117	1,823	662,870	247,007
Avemco Ins Co	PC-STK	MD	123,445	69,659	1,489	66,345	45,714
Aviva Life & Annuity Co	LH-STK	IA	11,603,132	549,018	92,858	2,316,339	2,081,705
Aviva Life & Annuity Co of NY	LH-STK	NY	1,335,950	90,425	441	317,751	216,301
Aviva Life Ins Co	LH-STK	DE	6,789,990	338,391	14,241	820,166	798,227
Avomark Ins Co	PC-STK	IN	10,814	10,596	0	0	0
AXA Art Ins Corp	PC-STK	NY	69,806	37,093	590	42,308	34,460
AXA Corporate Solutions Life Rein Co	LH-STK	DE	817,071	487,875	0	0	103,638
AXA Corporate Solutions Reins Co	PC-STK	DE	918,835	677,774	0	0	22,303
AXA Equitable Life Ins Co	LH-STK	NY	142,433,163	6,569,263	737,057	19,630,557	19,376,048
AXA Ins Co	PC-STK	NY	158,153	98,257	6,036	95,248	-777
AXA Life & Annuity Co	LH-STK	CO	554,701	105,245	1,463	53,919	9,853
AXA Re Prop & Cas Ins Co	PC-STK	DE	62,902	28,746	0	2,025	-26,302
AXIS Ins Co	PC-STK	IL	479,872	385,057	3,967	108,099	34,412
AXIS Reins Co	PC-STK	NY	2,007,378	607,119	6,703	338,157	196,781
Axis Spec Ins Co	PC-S/L	CT	270,421	131,069	-41	48,822	1,280
AXIS Surplus Ins Co	PC-S/L	IL	632,271	117,945	10,845	661,396	54,429
Badger Mutual Ins Co	PC-MUT	WI	173,057	70,155	9,759	95,623	88,841
Balboa Ins Co	PC-STK	CA	2,175,411	875,877	12,107	1,010,505	1,359,438
Balboa Life Ins Co	LH-STK	CA	41,329	27,888	753	17,168	15,522
Baltimore Life Ins Co	LH-STK	MD	810,287	72,389	894	83,095	77,791
Bancinsure, Inc	PC-STK	OK	109,141	45,090	240	62,400	47,384
Bankers Fidelity Life Ins Co	LH-STK	GA	119,805	33,810	117	56,228	56,130
Bankers Life And Casualty Co	LH-STK	IL	10,612,763	685,899	92,679	2,400,325	2,630,442
Bankers Reserve Life Ins Co of WI	LH-STK	MO	101,395	46,981	0	88,370	164,595
Bankers Standard Ins Co	PC-STK	PA	297,808	105,417	0	4,920	73,113
Banner Life Ins Co	LH-STK	MD	1,293,366	225,446	14,501	522,270	100,731
Baptist Life Assoc	FRAT	NY	25,090	1,000	110	2,362	2,162
Bar Plan Mutual Ins Co, The	PC-MUT	MO	62,260	23,439	15	23,757	14,122
BCS Ins Co	PC-STK	OH	221,833	141,290	7,251	249,649	101,510
BCS Life Ins Co	LH-STK	IL	196,902	80,547	169,626	196,495	195,118
Beazley Ins Co, Inc	PC-STK	CT	155,059	105,426	3,268	111,461	37,277
Benchmark Ins Co	PC-STK	KS	88,970	39,766	453	60,845	12,791
Beneficial Life Ins Co	LH-STK	UT	3,559,646	341,146	7,947	493,100	331,790

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Berkley Ins Co	PC-STK	DE	7,014,517	2,210,120	0	322	1,525,305
Berkley Regional Ins Co	PC-STK	DE	2,565,874	654,230	366	66,721	1,309,051
Berkshire Hathaway Int'l Ins. Ltd.	PC-S/L	NY	n/a	n/a	n/a	n/a	n/a
Berkshire Hathaway Life Ins Co Of NE	LH-STK	NE	3,658,554	858,078	194	3,020	97,419
Berkshire Life Ins Co of America	LH-STK	MA	2,292,683	386,608	6,631	240,019	401,351
Best Life & Health Ins Co	LH-STK	TX	16,881	10,703	443	39,891	42,494
Bituminous Casualty Corp	PC-STK	IL	791,539	272,179	2,778	392,708	239,729
Bituminous Fire And Marine Ins Co	PC-STK	IL	527,306	125,670	1,111	36,679	167,287
Bloomington Compensation Ins Co	PC-STK	MN	13,444	12,168	5	3,349	623
Boston Mutual Life Ins Co	LH-MUT	MA	893,465	102,139	2,173	223,310	168,651
Bristol West Ins Co	PC-STK	OH	167,760	33,026	41,135	187,058	11,955
Brokers National Life Assurance Co	LH-STK	AR	26,976	15,834	2,438	44,341	44,191
Brotherhood Mutual Ins Co	PC-MUT	IN	314,438	135,683	19,572	202,263	154,841
Buckeye State Mutual Ins Co	PC-MUT	OH	70,371	24,663	0	56,519	49,039
Burlington Ins Compnay	PC-S/L	NC	420,287	132,326	5,428	269,323	88,320
C.M. Life Ins Co	LH-STK	CT	8,625,435	607,849	27,688	699,539	537,398
Camden Fire Ins Association	PC-STK	NJ	73,952	73,251	0	68,440	0
Camico Mutual Ins Co	PC-MUT	CA	167,862	50,978	1,238	76,018	57,379
Canal Indemnity Co	PC-S/L	DE	47,473	36,964	0	113,576	0
Canal Ins Co	PC-STK	SC	1,377,428	530,510	0	337,164	433,489
Capital Markets Assurance Corp	PC-STK	NY	120,456	119,494	0	1,505	0
Capitol Indemnity Corp	PC-STK	WI	446,843	210,077	1,967	93,808	122,729
Capitol Life Ins Co	LH-STK	TX	221,989	7,159	0	0	0
Capitol Specialty Ins Corp	PC-S/L	WI	82,705	31,852	1,477	87,052	41,801
Cardif Life Ins Co	LH-STK	KS	62,019	10,833	5,961	34,562	12,408
Cardif Prop & Cas Ins Co	PC-STK	TX	12,554	12,146	0	181	748
Carolina Casualty Ins Co	PC-STK	IA	872,988	257,400	5,440	380,606	350,956
Caterpillar Ins Co	PC-STK	MO	203,664	40,756	2,948	199,835	85,778
Caterpillar Life Ins Co	LH-STK	MO	161,373	50,282	0	0	0
Catholic Family Life Ins	FRAT	WI	279,338	11,097	210	17,950	16,898
Catholic Knights	FRAT	WI	817,567	51,873	45	44,452	43,228
Catholic Ladies Of Columbia	FRAT	OH	35,389	853	1	3,350	3,342
Catholic Order Of Foresters	FRAT	IL	618,796	39,053	4,754	57,055	55,228
Catlin Specialty Ins Co	PC-S/L	DE	165,185	98,766	1,194	65,760	102
Celina Mutual Ins Co	PC-MUT	OH	48,241	20,443	0	25,586	26,118
Celtic Ins Co	LH-STK	IL	99,645	49,055	2,745	112,625	93,095
Censtar Title Ins Co	TITLE	TX	29,562	25,142	279	39,460	38,247
Centennial Ins Co	PC-STK	NY	182,975	15,155	13	4,075	6,910
Central Benefits National Life Ins Co	LH-STK	OH	7,138	6,455	11	1,330	1,201
Central Mutual Ins Co	PC-MUT	OH	1,239,471	533,593	72	522,674	469,311
Central Security Life Ins Co	LH-STK	TX	83,988	8,025	6	5,955	4,229
Central States Health & Life Of Omaha	LH-MUT	NE	290,811	99,050	2,955	154,321	80,776
Central States Indemnity Co Of Omaha	PC-STK	NE	259,388	210,573	2,010	102,354	51,576
Centre Ins Co	PC-STK	DE	345,364	99,010	0	200	247

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Centre Life Ins Co	LH-STK	MA	1,658,222	93,222	1,028	38,972	3,446
Centurion Life Ins Co	LH-STK	IA	1,521,634	949,939	55	57,298	94,118
Century Indemnity Co	PC-STK	PA	998,943	25,000	0	154	174
Century Surety Co	PC-S/L	OH	515,917	153,455	2,946	229,318	183,423
Charter National Life Ins Co	LH-STK	IL	254,443	9,693	8	585	0
Charter Oak Fire Ins Co	PC-STK	CT	836,144	228,386	15,958	1,095,753	228,707
Chesapeake Life Ins Co	LH-STK	OK	96,041	48,091	1,519	85,842	27,817
Chicago Ins Co	PC-STK	IL	285,938	132,424	4,284	107,087	69,740
Chicago Title Ins Co	TITLE	NE	1,578,158	274,483	31,962	1,887,296	1,884,525
Chubb Custom Ins Co	PC-S/L	DE	297,887	97,103	10,910	345,424	45,173
Chubb Indemnity Ins Co	PC-STK	NY	234,484	64,618	2,236	277,922	45,377
Chubb National Ins Co	PC-STK	IN	189,134	64,752	12	78,041	45,377
Church Ins Co	PC-STK	NY	53,909	18,864	32	4,886	5,312
Church Mutual Ins Co	PC-MUT	WI	1,178,569	389,404	20,441	579,642	473,701
CIFG Assurance North America, Inc	PC-STK	NY	204,542	66,093	3,115	75,077	9,156
Cincinnati Casualty Co	PC-STK	OH	331,942	278,482	11,177	188,385	0
Cincinnati Indemnity Co	PC-STK	OH	77,506	65,858	4,117	85,259	0
Cincinnati Ins Co	PC-STK	OH	10,516,258	4,307,150	135,566	2,998,349	3,119,169
Cincinnati Life Ins Co	LH-STK	OH	2,804,567	476,935	10,946	215,510	162,114
Citizens Ins Co Of OH	PC-STK	OH	11,923	11,908	6,104	11,364	0
Citizens Ins Co Of The Midwest	PC-STK	IN	17,350	17,323	139,388	152,949	0
Civic Prop & Cas Co	PC-STK	CA	223,435	76,668	16,682	46,736	128,134
Clarendon National Ins Co	PC-STK	NJ	950,458	439,776	560	68,638	-32,881
Clearwater Ins Co	PC-STK	DE	1,326,014	670,192	830	68,749	45,703
Clearwater Select Ins Co	PC-STK	DE	100,868	84,914	0	0	-180
CMG Mortgage Assurance Co	PC-STK	WI	9,308	7,299	1	716	716
CMG Mortgage Ins Co	PC-STK	WI	335,862	77,012	4,270	80,455	68,611
Coface North America Ins Co	PC-STK	MA	94,977	50,407	1,469	70,137	33,807
Cologne Reins Co Of Amer	PC-STK	CT	110,886	40,300	0	0	11
Colonial Amer Casualty & Surety Co	PC-STK	MD	37,683	24,405	574	64,474	0
Colonial Life & Accident Ins Co	LH-STK	SC	1,902,121	369,259	24,826	969,231	937,930
Colonial Penn Life Ins Co	LH-STK	PA	710,859	47,226	6,770	155,123	119,524
Colonial Surety Co	PC-STK	PA	26,920	10,393	21	15,807	8,543
Colony Ins Co	PC-S/L	VA	878,934	315,100	7,704	555,720	242,612
Colorado Bankers Life Ins Co	LH-STK	CO	140,920	21,263	2,525	49,806	48,111
Columbia Casualty Co	PC-S/L	IL	267,545	266,853	11,617	785,378	0
Columbian Life Ins Co	LH-STK	IL	242,456	22,260	2,002	115,000	40,497
Columbian Mutual Life Ins Co	LH-MUT	NY	892,832	74,207	273	87,885	127,634
Columbus Life Ins Co	LH-STK	OH	2,507,354	229,061	8,170	195,408	166,107
Combined Ins Co Of Amer	LH-STK	IL	3,214,961	933,732	23,262	1,403,695	1,246,649
Commerce And Industry Ins Co	PC-STK	NY	8,622,520	2,687,934	7,223	1,254,088	2,046,469
Commerce Title Ins Co	TITLE	CA	22,293	8,812	498	43,573	42,909
Commercial Casualty Ins Co	PC-STK	CA	192,339	66,256	0	-87	-68
Commercial Guaranty Casualty Ins Co	PC-STK	IN	130,746	123,126	0	1	1

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Commercial Travelers Mutual Ins Co	LH-MUT	NY	37,617	12,829	200	20,661	35,179
Commonwealth Ann & Life Ins Co	LH-STK	MA	9,653,746	461,351	2,174	113,403	372,124
Commonwealth Ins Co Of Amer	PC-STK	WA	50,063	21,604	1,076	28,075	7,933
Commonwealth Land Title Ins Co	TITLE	NE	745,238	254,092	10,317	1,152,518	1,154,117
Companion Comm Ins Co	PC-STK	SC	12,327	8,395	3	19,609	0
Companion Life Ins Co	LH-STK	SC	122,047	63,045	12,435	304,511	135,669
Companion Prop & Cas Ins Co	PC-STK	SC	456,666	151,113	55	281,794	126,356
Computer Ins Co	PC-STK	RI	41,201	38,380	95	5,731	6,422
Congress Life Ins Co	LH-STK	AZ	58,974	56,529	0	0	1,922
Connecticut General Life Ins Co	LH-STK	CT	16,582,319	1,897,090	82,073	6,585,847	5,769,585
Connie Lee Ins Co	PC-STK	WI	173,643	147,564	0	0	-179
Conseco Health Ins Co	LH-STK	AZ	2,361,268	108,497	7,566	385,405	293,674
Conseco Ins Co	LH-STK	IL	1,242,277	232,968	11,418	199,327	167,804
Conseco Life Ins Co	LH-STK	IN	4,256,095	148,160	5,552	736,350	768,979
Conseco Senior Health Ins Co	LH-STK	PA	3,401,110	127,679	6,476	309,896	320,559
Consolidated Ins Co	PC-STK	IN	24,524	24,280	11,706	124,958	0
Constitution Ins Co	PC-STK	NY	42,652	41,887	0	-0	-51
Constitution Life Ins Co	LH-STK	TX	87,691	17,469	251	88,519	35,524
Consumers Life Ins Co	LH-STK	OH	34,618	17,065	4,883	104,784	37,571
Continental American Ins. Co.	LH-STK	SC	102,769	26,959	290	35,308	67,441
Continental Assurance Co	LH-STK	IL	4,120,081	471,190	1,100	106,177	18,665
Continental Casualty Co	PC-STK	IL	38,899,576	8,348,013	112,833	4,768,276	6,453,551
Continental General Ins Co	LH-STK	NE	262,038	51,310	11,894	278,661	89,477
Continental Indemnity Co	PC-STK	IA	37,264	14,764	307	22,961	18,241
Continental Ins Co	PC-STK	PA	4,258,804	2,069,757	4,789	726,464	-0
Continental Life Ins Co Of Brentwood, TN	LH-STK	TN	155,922	60,108	8,955	177,208	176,330
Continental Western Ins Co	PC-STK	IA	265,924	85,789	0	618,255	0
Contractors Bonding And Ins Co	PC-STK	WA	214,519	87,418	220	95,865	80,322
Converium Ins (North Amer), Inc	PC-STK	NJ	57,682	46,015	-28	-142	-20,000
Cooperative Mutual Ins Co	PC-MUT	NE	28,093	11,054	0	20,806	11,746
Country Casualty Ins Co	PC-STK	IL	76,494	59,371	0	54,660	0
Country Investors Life Assurance Co	LH-STK	IL	167,570	132,395	344	73,111	0
Country Life Ins Co	LH-STK	IL	7,356,243	980,992	1,287	509,122	575,983
Country Mutual Ins Co	PC-MUT	IL	3,464,313	1,577,014	0	1,145,448	1,762,966
Country Preferred Ins Co	PC-STK	IL	88,670	15,916	0	295,776	0
Coventry Health And Life Ins Co	LH-STK	TX	404,639	126,650	20,269	1,388,567	1,363,755
Croatian Fraternal Union Of Amer	FRAT	PA	304,100	17,263	670	16,816	16,787
Crum & Forster Indemnity Co	PC-STK	DE	35,999	12,559	345	46,023	9,773
Crum & Forster Specialty Ins Co	PC-S/L	AZ	87,522	28,623	1,658	112,130	21,080
CSA Fraternal Life	FRAT	IL	115,201	3,546	69	4,619	4,557
CSI Life Ins Co	LH-STK	NE	19,975	14,936	0	0	8,077
CUMIS Ins Society	PC-STK	IA	1,301,743	508,366	15,265	512,931	710,385
CUMIS Specialty Ins Co	PC-S/L	IA	21,811	20,687	0	0	0
CUNA Mutual Ins Society	LH-MUT	IA	12,215,107	1,035,435	162,231	2,275,900	2,831,411

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Czech Catholic Union	FRAT	OH	11,251	3,104	1	274	274
Dairyland Ins Co	PC-STK	WI	1,183,285	460,476	17,462	345,539	309,551
Dakota Truck Underwriters	PC-RECI	SD	75,859	21,152	0	32,038	31,992
Dallas Nat'l Ins Co	PC-STK	TX	256,655	87,967	11	80,691	94,760
Darwin Nat'l Assur Co	PC-STK	DE	585,943	218,800	4,394	71,759	188,537
Darwin Select Ins Co	PC-S/L	AR	72,599	45,608	1,571	164,982	11,191
Dealers Assurance Co	PC-STK	OH	64,033	27,977	1	53,838	16,248
Deerbrook Ins Co	PC-STK	IL	21,312	21,004	0	50,130	0
Deerfield Ins Co	PC-STK	IL	60,827	46,176	100	1,023	-1,640
Degree Of Honor Protective Assoc	FRAT	MN	172,331	5,044	614	19,895	19,397
Delaware Amer Life Ins Co	LH-STK	DE	76,362	26,317	129	19,786	16,963
DELOS Ins Co	PC-STK	DE	462,982	207,761	6,171	262,835	186,172
Dentegra Ins Co	LH-STK	DE	20,460	9,531	2,514	56,924	17,252
Dentists Benefits Ins Co	PC-STK	OR	15,734	12,243	0	4,442	4,393
Dentists Ins Co	PC-STK	CA	241,651	140,465	0	41,102	36,173
Depositors Ins Co	PC-STK	IA	63,891	47,171	1,016	244,464	0
Developers Surety & Indemnity Co	PC-STK	IA	129,733	64,405	156	59,144	54,120
Diamond State Ins Co	PC-STK	IN	184,591	120,692	4,829	109,606	13,874
Discover Prop & Cas Ins Co	PC-STK	IL	112,954	46,382	15,419	350,213	24,879
Discover Specialty Ins Co	PC-S/L	IL	102,992	35,926	0	16,213	24,879
Doctors' Co, An Interinsurance Exchange	PC-RECI	CA	2,099,949	804,146	874	474,587	516,655
Eastern Life and Health Ins Co	LH-STK	PA	85,667	60,679	1,279	38,454	35,790
EastGuard Ins Co	PC-STK	PA	79,439	18,184	0	25,191	19,768
Economy Fire & Casualty Co	PC-STK	IL	360,128	345,355	0	21,752	0
Electric Ins Co	PC-STK	MA	1,246,018	371,976	2,075	354,355	367,744
EMC National Life Co	LH-STK	IA	663,411	52,982	1,599	152,161	129,346
Emcasco Ins Co	PC-STK	IA	364,478	107,990	4,907	153,671	145,914
Empire Fire And Marine Ins Co	PC-STK	NE	196,844	54,648	26,084	911,286	0
Empire Indemnity Ins Co	PC-S/L	OK	12,487	12,489	113	338,003	0
Employees Life Co (Mutual)	LH-MUT	IL	266,335	23,123	5,368	51,937	55,187
Employers' Fire Ins Co	PC-STK	MA	101,249	58,690	1,037	399,504	24,282
Employers Ins Co Of Wausau	PC-STK	WI	4,077,178	1,298,412	7,754	358,986	980,281
Employers Mutual Casualty Co	PC-MUT	IA	2,151,774	896,225	34,377	851,917	688,409
Employers Reassurance Corp	LH-STK	KS	8,666,442	780,301	0	0	980,529
Employes' Mutual Benefit Assoc	FRAT	WI	1,097	599	21	557	557
Encompass Indemnity Co	PC-STK	IL	22,449	21,947	0	597,927	0
Encompass Ins Co	PC-STK	IL	25,610	12,758	0	118,610	11,450
Encompass Prop & Cas Co	PC-STK	IL	11,102	10,714	40,064	115,739	0
Endurance Amer Ins Co	PC-STK	DE	132,580	125,416	690	10,799	-155
Endurance American Spec Ins Co	PC-S/L	DE	81,855	44,338	1,520	138,448	1,626
Endurance Reins Corp of Amer	PC-STK	NY	1,613,421	592,863	0	261,825	366,212
Epic Life Ins Co	LH-STK	WI	42,784	23,015	53	14,721	13,907
Equitable Life & Casualty Ins Co	LH-STK	UT	207,246	40,223	89	124,545	108,034
Equitable Reserve Assoc	FRAT	WI	120,854	8,596	98	7,130	6,886

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Equitrust Life Ins Co	LH-STK	IA	6,841,531	391,638	70,125	1,582,180	1,624,724
Essentia Ins Co	PC-STK	MO	40,160	39,981	0	0	0
Essex Ins Co	PC-S/L	DE	1,143,954	342,961	5,006	430,646	349,868
Esurance Ins Co	PC-STK	WI	440,126	122,016	39,448	585,895	121,749
Esurance Ins Co of NJ	PC-STK	WI	11,303	8,982	0	3,541	7
Esurance Prop & Cas Ins Co	PC-STK	CA	89,393	25,153	0	184,053	20,037
Euler Hermes Amer Cred Indemnity Co	PC-STK	MD	362,073	172,110	4,854	207,071	112,361
Evanston Ins Co	PC-S/L	IL	2,284,620	581,759	12,499	662,587	689,618
Everest Indemnity Ins Co	PC-S/L	DE	201,874	62,141	16,599	230,474	20,366
Everest National Ins Co	PC-STK	DE	448,436	178,637	10,541	569,624	79,112
Everest Reins Co	PC-STK	DE	9,661,762	2,886,559	0	14,807	1,978,945
Evergreen National Indemnity Co	PC-STK	OH	47,278	31,318	1,012	34,437	11,249
Exact Prop & Cas Co	PC-STK	CA	214,773	76,801	0	12,509	128,134
Excess Reins Co	PC-STK	DE	35,685	26,968	0	0	-0
Excess Share Ins Corp	PC-STK	OH	59,946	17,784	144	3,578	3,187
Executive Risk Indemnity	PC-STK	DE	2,603,967	820,609	4,389	306,786	726,046
Executive Risk Specialty Ins Co	PC-S/L	CT	190,235	71,155	213	60,556	45,377
Factory Mutual Ins Co	PC-MUT	RI	9,961,924	5,770,508	48,008	2,412,529	2,383,983
Fairfield Ins Co	PC-STK	CT	28,693	20,158	-3	-109	0
Fairmont Ins Co	PC-STK	CA	41,189	24,304	0	-130	60
Fairmont Premier Ins Co	PC-STK	CA	206,928	177,159	243	10,609	92
Fairmont Specialty Ins Co	PC-STK	DE	228,131	125,152	20	4,805	310
Family Heritage Life Ins Co Of Amer	LH-STK	OH	262,362	27,090	885	104,259	104,237
Family Life Ins Co	LH-STK	TX	127,816	22,514	257	21,605	20,992
Family Service Life Ins Co	LH-STK	TX	560,761	94,499	0	22	22
Farmers Alliance Mutual Ins Co	PC-MUT	KS	305,800	159,445	202	111,091	108,122
Farmers Automobile Ins Assoc	PC-RECIP	IL	859,085	416,398	0	203,514	319,602
Farmers Ins Co Of OR	PC-STK	OR	1,579,190	522,857	0	373,630	896,939
Farmers Ins Exchange	PC-RECIP	CA	13,053,162	3,446,738	142,007	3,631,585	6,630,944
Farmers Ins Of Columbus, Inc	PC-STK	OH	229,373	83,766	0	99,913	128,134
Farmers Mutual Hail Ins Co Of IA	PC-MUT	IA	388,104	265,306	1,066	375,446	229,871
Farmers New World Life Ins Co	LH-STK	WA	6,987,510	641,255	11,636	1,030,439	787,174
Farmington Casualty Co	PC-STK	CT	981,914	272,828	3,594	198,678	266,412
Farmland Mutual Ins Co	PC-MUT	IA	331,324	151,122	1,038	77,974	155,436
FCCI Ins Co	PC-STK	FL	1,407,347	420,558	-0	280,986	508,476
Federal Ins Co	PC-STK	IN	29,671,057	12,877,179	152,268	5,976,182	6,815,690
Federal Life Ins Co (Mutual)	LH-MUT	IL	235,623	32,973	180	20,951	25,657
Federated Life Ins Co	LH-STK	MN	919,053	216,977	4,999	122,518	116,907
Federated Mutual Ins Co	PC-MUT	MN	3,905,197	1,784,403	28,183	1,081,071	1,024,527
Federated Rural Electric Ins Exchange	PC-RECIP	KS	312,998	97,608	1,932	137,521	102,922
Federated Service Ins Co	PC-STK	MN	363,174	121,654	2,394	96,391	113,836
FFG Ins Co	PC-STK	TX	178,723	37,645	0	0	2,519
Fidelity & Deposit Co Of MD	PC-STK	MD	315,360	200,599	7,041	601,826	0
Fidelity & Guaranty Ins Co	PC-STK	IA	28,323	19,286	2,078	103,441	0

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Fidelity & Guaranty Ins Underwriters, Inc	PC-STK	WI	88,404	32,572	14	3,535	25,710
Fidelity Investments Life Ins Co	LH-STK	UT	16,033,979	645,223	103,877	2,431,650	2,034,853
Fidelity Life Association	LH-STK	IL	538,268	275,248	1,742	44,202	18,941
Fidelity Life Ins Co	LH-STK	PA	9,686	9,568	0	0	0
Fidelity National Ins Co	PC-STK	CA	281,772	130,874	1,250	227,428	149,937
Fidelity National Prop & Cas Ins Co	PC-STK	NY	95,753	70,954	798	361,393	4,515
Fidelity National Title Ins Co	TITLE	CA	860,789	237,682	31,839	1,274,082	1,269,699
Fidelity Security Life Ins Co	LH-STK	MO	488,087	77,276	9,381	377,398	314,815
Financial Casualty & Surety, Inc	PC-STK	TX	15,924	10,868	78	14,427	6,121
Financial Guaranty Ins Co	PC-STK	NY	4,298,781	260,909	9,111	331,344	311,185
Financial Security Assurance Inc	PC-STK	NY	4,289,264	1,628,940	7,192	691,064	395,187
Finial Reins Co	PC-STK	CT	1,323,525	395,556	0	0	1,109
Fire Ins Exchange	PC-RECI	CA	2,151,837	595,141	71,465	1,819,002	961,006
Fireman's Fund Ins Co	PC-STK	CA	9,982,461	2,894,209	59,141	2,319,931	3,486,972
Fireman's Fund Ins Co Of NE	PC-STK	NE	11,253	6,929	0	7,373	6,008
Fireman's Fund Ins Co Of OH	PC-S/L	OH	55,551	32,160	4,356	58,480	9,299
Firemen's Ins. Co. of Wash DC	PC-STK	DE	112,977	32,010	0	230,100	0
First Allmerica Financial Life Ins Co	LH-STK	MA	2,155,843	163,729	287	38,973	37,383
First Amer Prop & Cas Ins Co	PC-STK	CA	83,447	46,064	504	43,913	40,249
First Amer Title Ins Co	TITLE	CA	1,873,281	426,527	120,167	3,312,367	3,301,702
First American Title Ins Co Of NY	TITLE	NY	203,259	107,386	0	239,256	238,031
First Catholic Slovak Ladies Assoc Of The USA	FRAT	OH	529,123	90,735	299	21,275	21,211
First Catholic Slovak Union Of The USA	FRAT	OH	203,610	13,112	63	5,719	5,719
First Colonial Ins Co	PC-STK	FL	379,569	123,043	2,370	154,335	144,600
First Financial Ins Co	PC-STK	IL	503,719	284,790	0	42,663	46,757
First Guard Ins Co	PC-STK	AZ	11,115	10,309	326	18,403	8,103
First Health Life & Health Ins Co	LH-STK	TX	481,779	131,685	59,664	1,557,227	1,455,610
First Investors Life Ins Co	LH-STK	NY	1,370,125	113,027	2,608	89,870	88,420
First Liberty Ins Corp	PC-STK	IA	47,641	21,741	3,351	660,765	12,150
First Mercury Ins Co	PC-S/L	IL	441,270	161,323	2,347	258,559	139,251
First National Ins Co Of Amer	PC-STK	WA	254,088	74,816	6,097	358,935	113,123
First Nonprofit Ins Co	PC-STK	IL	107,979	54,092	3,616	50,540	51,783
First Penn-Pacific Life Ins Co	LH-STK	IN	1,921,633	186,713	7,513	200,374	63,763
First Professionals Ins Co, Inc	PC-STK	FL	669,093	235,077	0	179,285	92,436
First Rehabilitation Life Ins Co Of Amer	LH-STK	NY	100,141	43,471	60	85,339	85,050
First Sealord Surety, Inc	PC-STK	PA	12,788	11,829	22	17,795	16,193
First Specialty Ins Corp	PC-S/L	MO	204,756	86,374	418	97,861	19,412
Florists' Mutual Ins Co	PC-MUT	IL	162,666	56,358	786	59,820	45,566
Folksamerica Reins Co	PC-STK	NY	2,819,204	926,613	0	2,683	840,281
Forethought Life Assurance Co	LH-STK	IN	2,911,592	110,343	0	0	87,942
Forethought Life Ins Co	LH-STK	IN	777,410	116,375	15,102	510,939	428,669
Fort Dearborn Life Ins Co	LH-STK	IL	2,238,646	468,463	23,534	880,334	969,846
Fortress Ins Co	PC-STK	IL	49,395	20,915	325	19,936	2,848
Founders Ins Co	PC-STK	IL	188,398	63,909	448	100,058	98,023

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Freedom Life Ins Co Of Amer	LH-STK	TX	33,054	8,890	685	45,357	22,641
Funeral Directors Life Ins Co	LH-STK	TX	500,389	48,511	321	98,975	98,964
Garden State Life Ins Co	LH-STK	TX	92,179	17,269	881	44,030	40,578
Garrison Prop & Cas Ins Co	PC-STK	TX	109,349	38,336	0	90,763	82,019
GEICO General Ins Co	PC-STK	MD	153,862	76,429	0	4,810,586	0
GEICO Indemnity Co	PC-STK	MD	4,514,021	1,827,243	19,679	2,859,044	3,315,178
Gemini Ins Co	PC-S/L	DE	92,677	52,176	889	181,345	0
General Amer Life Ins Co	LH-STK	MO	14,122,917	2,279,712	14,685	865,212	545,705
General Casualty Co Of WI	PC-STK	WI	1,558,130	744,624	10,655	466,538	466,238
General Casualty Ins Co	PC-STK	WI	214,074	62,955	0	136,632	90,657
General Fidelity Ins Co	PC-STK	SC	718,085	415,729	0	62,565	258,688
General Fidelity Life Ins Co	LH-STK	SC	250,147	161,953	0	59	37,006
General Ins Co Of Amer	PC-STK	WA	2,432,374	594,347	20,147	569,345	1,300,913
General Re Life Corp	LH-STK	CT	2,637,601	440,229	0	0	1,030,801
General Reins Corp	PC-STK	DE	16,414,667	9,887,607	1,111	56,630	708,044
General Security Indemnity Co of AZ	PC-S/L	AZ	85,606	33,742	1,868	80,914	9,738
General Security National Ins Co	PC-STK	NY	349,416	91,288	0	727	-768
General Star Indemnity Co	PC-S/L	CT	1,049,793	662,816	3,082	196,651	98,222
General Star National Ins Co	PC-STK	OH	535,728	239,311	762	54,341	17,333
Generali	PC-USB	NY	70,640	37,778	177	9,232	831
Generali USA Life Reassurance Co	LH-STK	MO	801,290	256,201	0	0	259,898
Genesis Indemnity Ins Co	PC-S/L	ND	65,934	55,356	0	2,830	1,356
Genesis Ins Co	PC-STK	CT	217,517	115,922	2,660	29,812	14,596
Genworth Financial Assur Corp	PC-STK	NC	18,226	12,481	0	2,846	2,827
Genworth Home Equity Ins Corp	PC-STK	NC	12,285	11,899	0	-32	-32
Genworth Life and Annuity Ins Co	LH-STK	VA	29,148,526	1,528,614	162,054	5,311,226	3,726,320
Genworth Life Ins Co	LH-STK	DE	34,571,591	3,142,794	115,676	4,113,004	1,724,133
Genworth Mortgage Ins Corp	PC-STK	NC	2,817,420	243,499	18,970	735,359	570,846
Genworth Mortgage Ins Corp of NC	PC-STK	NC	275,213	51,135	0	8	87,679
Genworth Residential Mortgage Ins Corp of NE	PC-STK	NC	111,055	34,483	372	52,268	22,058
GeoVera Ins Co	PC-STK	CA	117,105	53,566	0	111,123	18,333
GeoVera Specialty Ins Co	PC-S/L	CA	65,738	24,200	0	116,467	8,539
Gerber Life Ins Co	LH-STK	NY	1,422,128	201,154	13,376	456,536	342,139
Gerling Amer Ins Co	PC-STK	NY	173,855	90,946	7,063	110,359	1,943
Germantown Ins Co	PC-STK	PA	74,274	30,525	0	27,541	28,098
Germantown Mutual Ins Co	PC-MUT	WI	67,612	32,780	308	33,824	29,059
Glencoe Ins Ltd	PC-S/L	NY	n/a	n/a	n/a	n/a	n/a
Global Reins Corp	PC-USB	NY	274,453	36,399	0	0	9
Global Reins Corp of America	PC-STK	NY	595,979	131,962	0	0	88
Globe Life And Accident Ins Co	LH-STK	DE	2,554,739	324,521	16,629	526,390	506,784
GMAC Direct Ins Co	PC-STK	MO	9,200	8,570	0	0	0
GMAC Ins Co Online, Inc	PC-STK	MO	11,261	10,459	0	578	60
Golden Rule Ins Co	LH-STK	IN	590,141	263,874	62,246	1,293,015	1,125,573
Golden State Mutual Life Ins Co	LH-MUT	CA	102,398	8,706	826	12,542	23,084

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Gotham Ins Co	PC-S/L	NY	127,920	64,366	523	39,330	25,052
Government Employees Ins Co	PC-STK	MD	12,908,294	5,104,381	15	3,577,424	8,383,789
Government Personnel Mutual Life Ins Co	LH-MUT	TX	786,599	87,957	789	70,553	54,576
Grange Ins Co of Michigan	PC-STK	OH	48,959	21,950	108,851	108,851	29,468
Grange Life Ins Co	LH-STK	OH	245,496	34,163	2,330	60,863	39,830
Granite State Ins Co	PC-STK	PA	45,304	33,587	18,403	1,002,086	0
Gray Ins Co, The	PC-STK	LA	331,734	99,957	14	100,737	96,653
Great Amer Alliance Ins Co	PC-STK	OH	26,468	26,450	1,465	79,274	0
Great Amer Assurance Co	PC-STK	OH	16,386	16,374	18,049	613,286	0
Great Amer E & S Ins Co	PC-S/L	DE	24,874	24,865	989	141,995	0
Great Amer Fidelity Ins Co	PC-S/L	DE	24,864	24,862	19	1,253	0
Great Amer Ins Co	PC-STK	OH	5,358,846	1,359,836	60,502	868,491	1,805,749
Great Amer Ins Co Of NY	PC-STK	NY	57,000	56,958	28,424	1,201,843	0
Great Amer Life Ins Co	LH-STK	OH	9,295,574	732,328	73,562	1,269,978	1,269,677
Great Amer Protection Ins Co	PC-S/L	OH	24,176	24,171	0	30	0
Great Amer Security Ins Co	PC-STK	OH	17,028	16,994	0	297	0
Great Amer Spirit Ins Co	PC-STK	OH	18,642	18,615	8	2,585	0
Great Divide Ins Co	PC-STK	ND	141,636	66,014	1,757	92,583	24,225
Great Northern Ins Co	PC-STK	IN	1,519,599	374,275	35,423	1,296,535	363,023
Great Southern Life Ins Co	LH-STK	TX	289,242	31,058	1,990	92,591	851
Great West Casualty Co	PC-STK	NE	1,595,042	473,036	12,039	746,781	595,512
Great Western Ins Co	LH-STK	UT	499,842	33,824	1	144,361	146,862
Greater Beneficial Union Of Pittsburgh	FRAT	PA	464,485	31,868	4,208	55,862	55,698
Greater New York Mutual Ins Co	PC-MUT	NY	813,020	324,472	-0	208,087	195,006
Great-West Life & Annuity Ins Co	LH-STK	CO	36,485,010	1,800,863	80,243	4,939,633	3,010,066
Greek Catholic Union Of The USA	FRAT	PA	591,295	26,556	1,051	62,843	62,842
Greenwich Ins Co	PC-STK	DE	816,606	367,202	15,470	863,285	94,370
Guarantee Ins Co	PC-STK	FL	108,549	14,813	0	84,915	29,521
Guarantee Title & Trust Co	TITLE	OH	7,925	1,219	2,797	11,319	11,282
Guarantee Trust Life Ins Co	LH-MUT	IL	207,663	43,517	10,904	280,456	130,373
Guaranty Income Life Ins Co	LH-STK	LA	373,694	23,597	2,713	65,910	59,178
Guardian Ins & Annuity Co	LH-STK	DE	10,402,935	244,674	18,117	1,254,995	1,193,075
Guardian Life Ins Co Of Amer	LH-MUT	NY	28,328,340	3,750,545	103,785	6,156,057	6,006,946
Guideone Elite Ins Co	PC-STK	IA	27,683	17,909	397	115,813	0
Guideone Mutual Ins Co	PC-MUT	IA	1,020,088	349,161	6,509	308,931	312,819
Guideone Specialty Mutual Ins Co	PC-MUT	IA	228,585	67,566	7,175	130,039	78,205
Guilford Ins Co	PC-S/L	IL	351,485	188,644	0	4,090	62,343
Gulf Underwriters Ins Co	PC-S/L	CT	50,732	49,458	0	135	0
Hallmark Ins Co	PC-STK	AZ	170,103	46,117	943	66,452	81,196
Hamilton Mutual Ins Co	PC-MUT	IA	64,239	25,979	5,482	38,783	7,799
Hannover Life Reassur Co Of Amer	LH-STK	FL	1,710,630	136,570	0	0	303,770
Hanover Ins Co	PC-STK	NH	4,330,777	1,666,373	49,927	861,634	1,712,338
Harbor Point Reins US Inc	PC-STK	CT	523,198	507,563	0	-3	3,010
Harco National Ins Co	PC-STK	IL	421,386	181,440	4,003	120,147	87,009

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Harleysville Ins Co	PC-STK	PA	112,013	31,237	1,264	55,032	34,916
Harleysville Ins Co Of NJ	PC-STK	NJ	731,501	176,997	0	163,902	221,137
Harleysville Ins Co Of NY	PC-STK	NY	83,444	18,019	0	118,881	23,278
Harleysville Ins Co Of OH	PC-STK	OH	37,670	10,485	0	3,842	11,639
Harleysville Life Ins Co	LH-STK	PA	374,093	21,197	4,072	79,049	52,399
Harleysville Mutual Ins Co	PC-MUT	PA	1,559,614	726,534	0	449,513	267,694
Harleysville Pennland Ins Co	PC-STK	PA	221,733	77,945	0	7,775	58,194
Harleysville Preferred Ins Co	PC-STK	PA	678,300	173,047	0	99,211	209,498
Harleysville Worcester Ins Co	PC-STK	PA	586,552	137,268	0	275,598	186,221
Harleysville-Atlantic Ins Co	PC-STK	GA	186,161	51,056	0	17,492	58,194
Hartford Accident And Indemnity Co	PC-STK	CT	12,046,554	3,941,995	4,540	211,199	3,411,854
Hartford Casualty Ins Co	PC-STK	IN	2,164,551	920,220	41,861	1,831,756	574,035
Hartford Fire Ins Co	PC-STK	CT	26,570,549	14,442,258	38,625	2,117,755	4,331,353
Hartford Ins Co Of IL	PC-S/L	IL	3,709,173	1,453,042	0	143,472	1,054,136
Hartford Ins Co Of The Midwest	PC-STK	IN	325,940	213,511	48,726	1,519,985	52,185
Hartford Ins Co Of The Southeast	PC-S/L	FL	189,441	77,700	0	80,875	52,185
Hartford Int'l Life Reassur Corp	LH-STK	CT	1,135,919	106,354	0	0	12,682
Hartford Life And Accident Ins Co	LH-STK	CT	14,187,519	5,786,073	86,390	3,575,584	4,036,068
Hartford Life and Annuity Ins Co	LH-STK	CT	89,347,777	2,556,588	325,996	11,037,513	10,305,098
Hartford Life Ins Co	LH-STK	CT	165,997,882	4,448,474	356,342	20,566,466	20,068,360
Hartford Steam Boiler Inspect & Ins Co	PC-STK	CT	1,220,030	618,638	2,928	106,570	618,720
Hartford Steam Boiler Inspect & Ins Co of CT	PC-STK	CT	95,498	43,251	0	457	29,796
Hartford Underwriters Ins Co	PC-STK	CT	1,551,802	652,858	16,887	1,689,618	417,480
Hawkeye-Security Ins Co	PC-STK	WI	12,463	11,640	0	60,599	0
HCC Life Ins Co	LH-STK	IN	623,203	336,165	15,607	568,175	649,529
HCSC Ins Services Co	LH-STK	IL	180,235	82,165	0	404,629	400,277
Health Care Service Corp, Mut Legal Res Co	LH-MUT	IL	10,007,660	6,095,693	1,529	14,241,552	14,206,862
HealthNet Life Ins Co	LH-STK	CA	645,864	266,193	1,835	1,694,894	1,107,643
Heritage Casualty Ins Co	PC-STK	IL	115,663	82,683	0	66,396	71,261
Heritage Indemnity Co	PC-STK	CA	174,139	66,868	460	80,143	65,080
Heritage Life Ins Co	LH-STK	AZ	57,938	43,610	-0	829	-3,234
Hermitage Ins Co	PC-S/L	NY	174,798	76,871	247	65,643	58,753
Highmark Casualty Ins Co	PC-STK	PA	208,239	86,834	194	119,405	101,928
Hiscox Ins Co	PC-STK	IL	60,003	50,667	50	15,651	11,236
HM Health Ins Co	LH-STK	PA	20,208	12,666	0	52,754	52,754
HM Life Ins Co	LH-STK	PA	317,951	141,816	9,084	311,730	321,216
Holy Family Society Of The USA	FRAT	IL	30,648	11,556	224	3,986	3,986
Homeland Ins Co of NY	PC-S/L	NY	530,772	248,224	899	172,255	161,881
Homesite Ins Co	PC-STK	CT	112,914	49,380	0	70,670	54,978
Homesite Ins Co Of The Midwest	PC-STK	ND	125,468	50,004	27,650	71,274	63,739
Homesteaders Life Co	LH-MUT	IA	1,473,812	74,720	6,878	333,698	325,059
Horace Mann Ins Co	PC-STK	IL	392,234	148,982	5,125	229,761	228,033
Horace Mann Life Ins Co	LH-STK	IL	5,069,884	276,611	12,255	445,869	439,115
Horace Mann Prop & Cas Ins Co	PC-STK	CA	145,768	57,327	0	105,623	103,263

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Housing Authority Prop Ins, a Mutual Co	PC-MUT	VT	150,618	81,059	402	15,297	35,667
Houston Casualty Co	PC-S/L	TX	2,781,997	1,260,208	5,217	383,293	424,862
HSBC Ins Co of DE	PC-STK	DE	507,819	398,485	4	9,907	106,877
Hudson Ins Co	PC-STK	DE	390,766	120,103	681	251,497	192,240
Hudson Specialty Ins Co	PC-S/L	NY	164,739	88,915	3,059	221,704	18,960
Humana Ins Co	LH-STK	WI	3,836,602	1,879,192	399,177	11,655,980	11,889,398
HumanaDental Ins Co	LH-STK	WI	96,611	65,630	14,916	317,600	307,524
Hungarian Reformed Federation Of Amer	FRAT	DC	20,978	4,702	11	357	344
Idealife Ins Co	LH-STK	CT	21,185	13,795	119	5,747	1,747
IDS Prop & Cas Ins Co	PC-STK	WI	991,211	424,289	31,685	537,908	586,159
Illinois Emcasco Ins Co	PC-S/L	IA	272,749	82,630	125	27,252	108,084
Illinois Mutual Life Ins Co	LH-MUT	IL	1,253,563	145,648	7,498	171,802	155,982
Illinois National Ins Co	PC-STK	IL	65,271	57,246	66,169	2,457,697	0
Illinois Union Ins Co	PC-S/L	IL	433,734	121,255	6,542	645,788	0
Indemnity Ins Co Of North Amer	PC-STK	PA	383,170	113,882	4,313	743,264	69,632
Independence American Ins Co	PC-STK	DE	73,564	41,353	0	27,039	106,206
Independence Life And Annuity Co	LH-STK	RI	162,387	53,251	0	0	-758
Independent Mutual Fire Ins Co	PC-MUT	IL	31,447	26,816	29	6,280	6,280
Independent Order Of Foresters	FRAT	NY	2,778,717	272,267	8,647	199,451	197,504
Independent Order Of Vikings	FRAT	IL	2,719	1,391	36	165	140
Indian Harbor Ins Co	PC-S/L	ND	185,903	41,795	6,905	444,855	15,728
Indiana Ins Co	PC-STK	IN	1,103,548	302,046	10,866	277,251	455,015
Indiana Lumbermen's Mutual Ins Co	PC-MUT	IN	129,487	48,556	4,652	54,390	45,952
Indianapolis Life Ins Co	LH-STK	IN	3,554,451	251,513	14,955	540,244	209,009
Individual Assurance Co Life, Hlth & Acc	LH-STK	MO	45,308	11,137	469	43,613	28,054
Industrial Alliance Pacific Ins & Fin Srv Inc	LH-USB	WA	359,044	24,048	21	47,462	46,345
Infinity Auto Ins Co	PC-STK	OH	12,147	10,047	0	162,822	1,014
Infinity Ins Co	PC-STK	IN	1,541,076	473,373	0	576,286	1,000,063
ING Life Ins and Annuity Co	LH-STK	CT	67,000,403	1,388,018	266,774	10,418,873	10,233,848
ING USA Annuity & Life Ins Co	LH-STK	IA	74,257,086	2,552,616	389,187	18,269,116	16,949,862
Ins Co Of IL	PC-STK	IL	31,609	31,307	0	6,347	0
Ins Co Of North Amer	PC-STK	PA	712,621	233,113	583	81,303	174,079
Ins Co Of The State Of PA	PC-STK	PA	4,806,874	1,900,373	43,297	1,785,767	1,023,234
Ins Co Of The West	PC-STK	CA	874,010	455,789	30	275,225	289,128
Ins Corp Of NY	PC-STK	NY	87,329	-91,955	0	0	199
Integon National Ins Co	PC-STK	NC	183,702	52,357	21,512	426,070	0
Integon Speciality Ins Co	PC-S/L	NC	61,528	25,155	2,127	95,763	6,684
Integrity Life Ins Co	LH-STK	OH	4,692,412	355,341	27,035	552,498	550,712
International Fidelity Ins Co	PC-STK	NJ	170,694	86,333	582	113,983	94,119
International Ins Co Of Hannover Limited	PC-S/L	NY	n/a	n/a	n/a	n/a	n/a
Interstate Fire & Casualty Co	PC-STK	IL	652,716	325,605	-22	352,688	162,725
Interstate Indemnity Co	PC-S/L	IL	147,419	71,814	1,652	42,070	37,194
IntramERICA Life Ins Co	LH-STK	NY	42,651	8,496	3	1,672	56
Investors Guaranty Life Ins Co	LH-STK	CA	25,443	25,200	0	331	3

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Investors Heritage Life Ins Co	LH-STK	KY	341,832	19,083	517	49,568	39,937
Investors Ins Corp	LH-STK	DE	245,173	31,699	2,486	31,436	6,280
Investors Life Ins Co Of North Amer	LH-STK	TX	936,375	47,755	1,201	34,386	31,639
Investors Title Ins Co	TITLE	NC	105,685	50,103	3,095	67,546	67,316
Ironshore Indemnity Inc	PC-STK	MN	31,088	30,959	0	-2	-15
Ironshore Spec Ins Co	PC-S/L	AZ	31,602	31,351	0	0	0
Jackson National Life Ins Co Of NY	LH-STK	NY	3,039,695	132,086	19	558,919	557,574
James River Ins Co	PC-S/L	OH	585,219	189,400	2,872	239,726	204,099
Jefferson Ins Co	PC-STK	NY	21,336	10,061	252	6,767	-9,551
Jefferson National Life Ins Co	LH-STK	TX	1,727,626	41,081	13,027	285,176	241,927
Jewelers Mutual Ins Co	PC-MUT	WI	197,767	119,272	2,586	108,276	100,023
John Alden Life Ins Co	LH-STK	WI	526,043	93,111	44,201	573,865	547,201
John Hancock Life & Health Ins Co	LH-STK	DE	538,935	126,270	69	2,307	1,248
John Hancock Life Ins Co	LH-STK	MA	69,812,524	4,407,485	147,503	5,164,813	4,006,871
John Hancock Variable Life Ins Co	LH-STK	MA	15,151,721	609,435	29,095	1,117,900	690,469
Kanawha Ins Co	LH-STK	SC	664,720	65,916	5,011	182,561	160,505
Kansas Bankers Surety Co	PC-STK	KS	166,472	138,136	204	23,011	19,494
Kansas City Life Ins Co	LH-STK	MO	3,258,245	366,754	6,076	277,996	256,135
Kemper Casualty Ins Co	PC-STK	IL	26,703	12,617	0	120	148
Kemper Independence Ins Co	PC-STK	IL	117,389	20,885	0	270,452	26,341
Kemper Investors Life Ins Co	LH-STK	IL	16,700,205	186,926	7,489	202,629	16,700
Knights Of Columbus	FRAT	CT	14,013,813	1,751,216	30,548	1,109,991	1,109,297
KSKJ Life Amer Slov Cath Union	FRAT	IL	110,510	4,965	6	8,984	8,909
Ladies PA Slovak Catholic Union	FRAT	PA	16,325	5,505	2	236	236
Lafayette Life Ins Co	LH-STK	IN	1,937,269	118,208	9,103	367,950	313,525
Lancer Ins Co	PC-STK	IL	615,903	125,427	3,943	195,726	119,827
Landmark American Ins Co	PC-S/L	OK	320,963	133,543	6,214	707,054	43,766
Lantana Ins Ltd	PC-S/L	NY	n/a	n/a	n/a	n/a	n/a
Laurier Indemnity Co	PC-STK	WI	26,728	16,808	0	2,742	2,743
Lawyers Title Ins Corp	TITLE	NE	614,576	129,286	27,391	1,215,611	1,216,983
Lexington Ins Co	PC-S/L	DE	14,832,236	4,551,031	99,135	6,619,454	4,288,802
Lexington Nat'l Ins Corp	PC-STK	MD	45,740	13,286	3	12,913	12,910
Lexon Ins Co	PC-STK	TX	77,469	37,374	940	39,574	54,080
Liberty Bankers Life Ins Co	LH-STK	OK	620,178	53,077	6,602	169,248	169,998
Liberty Ins Corp	PC-STK	IL	1,198,834	363,997	37,913	1,765,200	247,149
Liberty Ins Underwriters Inc	PC-STK	NY	148,455	86,447	2,429	269,826	0
Liberty Life Assurance Co Of Boston	LH-STK	MA	11,185,421	482,667	15,257	1,044,647	1,001,848
Liberty Life Ins Co	LH-STK	SC	3,722,392	261,542	14,637	391,169	322,900
Liberty Mutual Fire Ins Co	PC-STK	WI	3,565,128	961,295	160,926	6,478,377	1,214,958
Liberty Mutual Ins Co	PC-STK	MA	34,829,205	11,823,300	49,695	2,879,017	9,589,191
Liberty National Life Ins Co	LH-STK	AL	4,981,019	607,030	1,014	602,919	538,955
Liberty Surplus Ins Corp, The	PC-S/L	NH	110,928	68,011	2,781	234,172	0
Life Ins Co Of North Amer	LH-STK	PA	5,880,600	641,254	84,175	1,894,391	2,025,487
Life Ins Co Of The Southwest	LH-STK	TX	5,849,880	364,627	15,575	878,207	871,412

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Life Investors Ins Co Of Amer	LH-STK	IA	10,027,950	422,474	10,289	965,508	660,840
Life of the South Ins Co	LH-STK	GA	62,284	20,145	0	98,017	52,765
Lincoln Benefit Life Co	LH-STK	NE	3,442,530	282,931	109,400	2,687,790	1,262
Lincoln General Ins Co	PC-STK	PA	409,209	134,898	14,487	759,218	106,592
Lincoln Heritage Life Ins Co	LH-STK	IL	587,072	88,947	12,444	210,631	174,487
Lincoln Life & Ann Co of NY	LH-STK	NY	9,000,554	832,793	1,204	921,775	995,972
Lincoln National Life Ins Co	LH-STK	IN	144,609,572	4,957,875	796,617	21,438,125	20,683,191
Lithuanian Alliance Of Amer	FRAT	PA	2,473	911	0	16	16
Lloyd's Underwriters At London, Sp Synd	PC-S/L	NY	n/a	n/a	n/a	n/a	n/a
LM General Ins Co	PC-STK	DE	9,917	6,748	0	-1	0
LM Ins Corp	PC-STK	IA	71,239	19,728	30,295	394,000	24,299
LM Personal Insurance Company	PC-STK	DE	8,398	6,785	0	0	0
LM Prop & Cas Ins Co	PC-STK	IN	242,742	167,963	-0	29	-3
London Life Reins Co	LH-STK	PA	1,502,478	75,030	1,194	14,078	19,709
Loyal Amer Life Ins Co	LH-STK	OH	438,980	41,795	2,155	107,196	59,418
Loyal Christian Benefit Assoc	FRAT	PA	150,944	5,702	325	21,302	21,192
Lumbermens Mutual Casualty Co	PC-MUT	IL	1,684,248	150,664	228	-604	9,673
Lumbermen's Underwriting Alliance	PC-RECIPI	MO	361,641	109,381	594	129,591	89,857
Lyndon Property Ins Co	PC-STK	MO	475,550	144,438	19,873	217,626	106,511
Madison National Life Ins Co	LH-STK	WI	757,894	136,569	29,794	209,916	129,845
Manhattan Life Ins Co	LH-STK	NY	363,058	35,742	150	17,950	16,726
Manhattan National Life Ins Co	LH-STK	IL	265,320	48,503	1,026	35,675	2,945
Manufacturers Alliance Ins Co	PC-STK	PA	197,303	60,053	314	89,562	77,260
Markel Amer Ins Co	PC-STK	VA	402,770	104,451	6,222	193,947	107,372
Markel Ins Co	PC-STK	IL	643,454	111,521	3,921	275,354	264,874
Maryland Casualty Co	PC-STK	MD	584,716	402,960	4,789	689,316	0
Massachusetts Bay Ins Co	PC-STK	NH	45,271	44,698	23,737	376,427	0
Massachusetts Mutual Life Ins Co	LH-MUT	MA	119,085,813	8,008,148	326,369	14,960,890	14,554,025
Max Specialty Ins Co	PC-S/L	DE	159,423	141,994	390	48,243	2,726
MAXUM Casualty Ins Co	PC-STK	DE	11,344	9,412	64	17,708	0
MAXUM Indemnity Co	PC-S/L	DE	147,926	62,321	3,214	68,192	32,231
MBIA Ins Corp	PC-STK	NY	11,410,224	3,663,052	3,701	846,443	764,660
MBIA Ins Corp Of IL	PC-STK	IL	181,602	178,192	0	8	0
Medamerica Ins Co	LH-STK	PA	365,275	27,066	958	57,159	8,211
Medco Containment Life Ins Co	LH-STK	PA	215,553	82,121	22,506	250,545	250,549
Medical Assurance Co, Inc (The)	PC-STK	AL	1,848,737	553,477	0	285,728	259,870
Medical Benefits Mutual Life Ins Co	LH-MUT	OH	20,642	13,496	0	34,609	6,877
Medical Mutual of Ohio	PC-MUT	OH	1,330,973	879,850	0	1,928,841	1,995,235
Medical Protective Co	PC-STK	IN	1,805,155	639,703	7,869	692,798	343,121
Medico Ins Co	PC-STK	NE	127,945	49,306	2,006	134,218	-134,287
Medico Life Ins Co	LH-STK	NE	185,155	38,679	3,171	35,170	67,957
Medmarc Casualty Ins Co	PC-STK	VT	111,431	44,953	1,260	55,703	14,598
Medmarc Mutual Ins Co	PC-MUT	VT	241,299	123,691	0	0	29,196
Mega Life And Health Ins Co	LH-STK	OK	1,059,698	293,187	23,347	1,066,723	961,847

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Members Life Ins Co	LH-STK	IA	66,612	30,887	3,749	5,664	-563,750
MEMIC Indemnity Co	PC-STK	NH	135,197	55,189	14	36,017	36,698
Mennonite Mutual Aid Assoc	FRAT	IN	338,907	88,559	1,002	67,325	66,026
Merastar Ins Co	PC-STK	IN	24,841	13,361	2,260	50,335	19,409
Merchants Bonding Co	PC-MUT	IA	74,776	50,577	1,019	57,426	31,494
Merchants Mutual Ins Co	PC-MUT	NY	349,848	126,805	3,302	144,555	68,898
MERCHANTS PREFERRED INS CO	PC-STK	NY	26,260	13,811	273	10,561	19,130
Mercury Nat'l Ins Co	PC-STK	IL	12,803	12,035	2,788	2,788	0
Meridian Security Ins Co	PC-STK	IN	82,691	57,616	135	70,911	286
Merit Life Ins Co	LH-STK	IN	1,096,282	707,006	2,145	103,805	106,623
Meritplan Ins Co	PC-STK	CA	140,323	66,378	41,730	397,458	59,106
Merrill Lynch Life Ins Co	LH-STK	AR	13,911,027	366,011	28,705	773,007	745,454
MetLife Ins Co of CT	LH-STK	CT	83,221,523	4,208,400	34,623	4,221,643	3,621,429
MetLife Investors Ins Co	LH-STK	MO	11,882,623	328,563	49,158	1,527,233	1,432,998
MetLife Investors USA Ins Co	LH-STK	DE	29,684,128	584,168	321,471	7,631,737	7,290,114
Metropolitan Direct Prop & Cas Ins Co	PC-STK	RI	24,980	24,625	1,963	218,306	0
Metropolitan General Ins Co	PC-STK	RI	31,205	30,363	62	46,689	0
Metropolitan Grp Prop & Cas Ins Co	PC-STK	RI	390,155	277,195	39,738	486,886	0
Metropolitan Life Ins Co	LH-STK	NY	297,465,527	13,003,979	829,928	44,034,221	41,326,580
Metropolitan Prop & Cas Ins Co	PC-STK	RI	5,333,547	1,825,830	2,418	1,168,875	2,990,075
Metropolitan Tower Life Ins Co	LH-STK	DE	6,179,138	1,137,780	3,461	170,920	26,412
MGA Ins Co	PC-STK	TX	208,702	96,026	0	159,291	95,280
MGIC Assurance Corp	PC-STK	WI	9,426	9,382	0	68	68
MGIC Credit Assurance Corp	PC-STK	WI	45,215	39,883	6	981	981
MGIC Indemnity Corp	PC-STK	WI	23,532	23,056	2	151	1
Mid-Century Ins Co	PC-STK	CA	3,388,434	724,355	2,221	2,187,199	2,050,147
Mid-Continent Casualty Co	PC-STK	OK	882,270	331,581	1,120	274,281	266,474
Middlesex Ins Co	PC-STK	WI	644,474	231,841	715	78,688	189,184
Middlesex Mutual Assur Co	PC-MUT	CT	267,682	70,656	8,248	256,121	91,394
Midland National Life Ins Co	LH-STK	IA	23,518,176	1,109,422	119,173	2,788,466	2,037,224
Midwest Employers Casualty Co	PC-STK	DE	326,072	128,962	11,129	273,213	32,479
Mid-West National Life Ins Co Of TN	LH-STK	TX	374,933	150,311	1,916	364,949	363,900
Midwest Security Life Ins Co	LH-STK	WI	64,083	34,843	64,215	128,052	128,052
Midwestern Indemnity Co	PC-STK	OH	16,211	15,611	0	90,855	0
Midwestern United Life Ins Co	LH-STK	IN	250,388	96,143	429	4,750	4,625
MII Life, Incorporated	LH-STK	MN	111,169	13,011	239	38,755	21,019
Millers First Ins Co	PC-STK	IL	40,440	21,200	0	10,927	9,728
Milwaukee Cas Ins Co	PC-STK	WI	17,218	10,448	0	18,090	0
Minnesota Lawyers Mutual Ins Co	PC-MUT	MN	108,024	55,047	133	31,942	28,861
Minnesota Life Ins Co	LH-STK	MN	23,829,005	1,818,067	91,817	3,972,375	4,181,059
Mitsui Sumitomo Ins Co of Amer	PC-STK	NY	674,580	214,069	6,343	189,174	135,206
Mitsui Sumitomo Ins Usa Inc	PC-STK	NY	105,630	50,898	2,871	75,674	15,023
MMA Ins Co	LH-STK	IN	21,923	12,116	159	20,809	18,962
MML Bay State Life Ins Co	LH-STK	CT	4,636,984	183,358	3,075	77,616	59,078

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Modern Service Ins Co	PC-STK	IL	25,839	22,979	0	323	0
Modern Woodmen Of Amer	FRAT	IL	8,318,153	1,170,475	12,329	628,538	590,480
Molina Healthcare Ins Co	LH-STK	OH	8,804	8,217	29	1,350	0
Monroe Guaranty Ins Co	PC-STK	IN	32,493	41,409	9,144	26,410	0
Montpelier US Ins Co	PC-S/L	OK	57,738	53,611	0	3	88,233
Monumental Life Ins Co	LH-STK	IA	37,935,163	731,779	57,828	8,654,592	2,483,666
Mony Life Ins Co	LH-STK	NY	9,917,633	961,274	5,171	516,419	459,767
Mony Life Ins Co Of Amer	LH-STK	AZ	5,594,467	291,315	7,699	319,347	249,279
Mortgage Guaranty Ins Corp	PC-STK	WI	7,110,369	1,258,530	59,862	1,508,676	1,172,383
Motorists Life Ins Co	LH-STK	OH	333,633	50,806	2,847	51,150	42,085
Motorists Mutual Ins Co	PC-MUT	OH	1,213,866	535,063	0	408,410	458,228
Mount Vernon Fire Ins Co	PC-S/L	PA	368,705	198,813	9,377	160,840	-77,691
Mt. Hawley Ins Co	PC-S/L	KS	1,040,417	454,154	5,575	395,394	284,918
MTL Ins Co	LH-STK	IL	1,273,967	105,276	12,053	148,007	131,367
Munich Amer Reassurance Co	LH-STK	GA	5,029,518	673,037	0	0	1,164,498
Munich Reinsurance America, Inc	PC-STK	DE	17,948,046	4,321,635	0	418	2,298,035
Mutual Of Amer Life Ins Co	LH-MUT	NY	13,016,898	831,510	33,062	1,407,457	1,406,632
Mutual Of Omaha Ins Co	LH-MUT	NE	4,541,725	2,217,383	13,527	1,286,431	1,883,237
Mutualaid Exchange	PC-RECIP	KS	36,949	22,837	513	14,402	13,104
National Amer Ins Co	PC-STK	OK	140,882	50,250	158	85,836	64,432
National Benefit Life Ins Co	LH-STK	NY	691,213	304,949	1,291	169,911	258,636
National Casualty Co	PC-STK	WI	185,511	103,574	10,483	572,385	0
National Catholic Society Of Foresters	FRAT	IL	126,849	11,745	23	4,042	3,774
National Continental Ins Co	PC-STK	NY	185,471	49,433	0	167,874	113,060
National Farmers Union Life Ins Co	LH-STK	TX	272,705	42,957	134	9,845	7,409
National Farmers Union Prop & Cas Co	PC-STK	CO	266,673	123,135	226	169,330	161,168
National Fire & Indemnity Exchange	PC-RECIP	MO	12,303	6,135	136	5,959	4,691
National Fire And Marine Ins Co	PC-S/L	NE	5,665,917	3,699,167	4,254	544,590	503,434
National Fire Ins Co Of Hartford	PC-STK	IL	221,702	186,842	17,870	585,819	0
National General Assurance Company	PC-STK	MO	39,571	20,165	0	172,593	0
National General Ins Co	PC-STK	MO	100,678	41,803	15,921	280,036	28,893
National Guardian Life Ins Co	LH-MUT	WI	1,485,979	167,450	19,595	303,466	167,727
National Health Ins Co	LH-STK	TX	36,655	17,449	150	44,509	42,963
National Indemnity Co	PC-STK	NE	74,163,534	35,581,958	5,679	212,598	4,237,014
National Ins Co Of Wisconsin, Inc	PC-STK	WI	43,727	15,886	613	5,526	13,678
National Interstate Ins Co	PC-STK	OH	694,674	182,302	157	321,130	203,635
National Interstate Ins Co of HI, Inc	PC-STK	HI	18,157	9,614	4,220	14,956	4,809
National Liability & Fire Ins Co	PC-STK	CT	1,203,062	629,168	3,128	430,103	286,280
National Life Ins Co	LH-STK	VT	8,275,646	826,783	11,838	588,784	510,092
National Masonic Provident Assoc	LH-MUT	OH	1,485	786	3	26	26
National Mutual Benefit	FRAT	WI	247,967	30,123	24	18,869	17,927
National Reins Corp	PC-STK	DE	785,706	622,096	0	0	-10,913
National Slovak Society Of The USA	FRAT	PA	235,751	6,903	4	34,384	34,384
National Specialty Ins Co	PC-STK	TX	28,485	15,397	337	92,697	10,323

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
National States Ins Co	LH-STK	MO	79,093	16,940	1,250	90,099	61,760
National Surety Corp	PC-STK	IL	585,418	218,982	3,679	449,985	185,972
National Teachers Assoc Life Ins Co	LH-STK	TX	198,081	26,873	13	68,382	67,980
National Trust Ins Co	PC-STK	TN	7,997	14,991	-1	120,305	0
National Union Fire Ins Co Of Pittsburgh	PC-STK	PA	34,575,351	12,156,994	63,081	5,450,523	7,776,582
National Western Life Ins Co	LH-STK	CO	6,078,774	710,935	39,776	630,959	622,150
Nationwide Agribusiness Ins Co	PC-STK	IA	90,015	55,255	1,297	430,070	0
Nationwide General Ins Co	PC-STK	OH	59,802	23,973	0	364,650	0
Nationwide Ins Co Of Amer	PC-STK	WI	134,108	86,517	0	615,922	0
Nationwide Life & Annuity Co of Amer	LH-STK	DE	833,107	83,267	645	43,105	30,734
Nationwide Life And Annuity Ins Co	LH-STK	OH	5,270,431	173,266	7,333	276,822	150,822
Nationwide Life Ins Co	LH-STK	OH	99,016,728	2,501,087	310,004	12,429,403	12,093,720
Nationwide Life Ins Co of Amer	LH-STK	PA	6,338,508	674,045	1,878	449,130	410,273
Nationwide Mutual Fire Ins Co	PC-MUT	OH	4,330,934	2,060,620	94,840	2,855,369	1,756,428
Nationwide Mutual Ins Co	PC-MUT	OH	29,520,739	11,361,457	10,750	4,524,133	13,052,808
Nationwide Prop & Cas Ins Co	PC-STK	OH	103,618	28,456	12,819	1,174,751	0
NAU Country Ins Co	PC-STK	MN	379,916	198,320	6,553	740,317	330,105
Nautilus Ins Co	PC-S/L	AZ	1,370,967	462,262	12,320	412,981	473,438
Navigators Ins Co	PC-STK	NY	1,594,942	578,668	4,109	490,595	478,019
Navigators Specialty Ins Co	PC-S/L	NY	127,551	110,407	453	233,005	0
Naxos Ins Co	PC-S/L	DE	20,290	19,907	0	0	0
NC Mutual Life Ins Co	LH-MUT	NC	132,733	12,971	1,006	47,232	46,604
NCMIC Mutual Ins Co	PC-STK	IA	512,752	166,604	1,282	66,558	82,698
Neighborhood Spirit Prop & Cas Co	PC-STK	CA	219,789	78,467	101	28,098	128,134
Netherlands Ins Co	PC-STK	NH	282,550	64,475	34,543	726,088	121,461
New England Ins Co	PC-STK	CT	293,044	282,948	0	0	3
New England Life Ins Co	LH-STK	MA	12,459,014	544,237	62,883	2,022,477	1,880,498
New England Reins Corp	PC-STK	CT	131,286	121,322	0	0	3
New Hampshire Indemnity Co, Inc	PC-STK	PA	303,461	102,267	13,398	169,738	201,514
New Hampshire Ins Co	PC-STK	PA	4,452,304	1,369,300	18,481	3,060,871	1,023,234
New York Life Ins And Annuity Corp	LH-STK	DE	72,685,506	2,649,933	188,570	7,905,503	7,314,496
New York Life Ins Co	LH-MUT	NY	122,753,467	11,959,230	81,741	16,468,859	16,823,224
New York Marine And General Ins Co	PC-STK	NY	593,599	191,142	911	179,714	135,152
NGM Insurance Co	PC-STK	FL	1,817,114	619,568	0	662,773	1,085,470
Nippon Life Ins Co Of Amer	LH-STK	IA	169,464	117,980	19,972	233,204	230,485
Nipponkoa Ins Co, Ltd (US Branch)	PC-USB	NY	227,267	66,104	162	27,426	55,393
NLC Mutual Ins Co	PC-MUT	VT	229,194	53,956	0	41	8,674
Noetic Specialty Ins Co	PC-S/L	IL	100,199	38,106	182	37,608	14,598
Norguard Ins Co	PC-STK	PA	353,870	85,609	968	118,256	98,839
North Amer Capacity Ins Co	PC-S/L	NH	58,680	43,218	1,140	122,457	0
North Amer Co For Life & Health Ins	LH-STK	IA	6,637,313	387,652	77,268	1,350,190	1,165,113
North Amer Elite Ins Co	PC-STK	NH	38,177	33,447	350	14,199	0
North Amer Ins Co	LH-STK	WI	24,706	15,555	36	1,728	1,726
North Amer Specialty Ins Co	PC-STK	NH	459,892	243,537	4,233	194,387	3,389

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
North Pointe Casualty Ins Co	PC-S/L	FL	45,796	19,085	0	28,835	24,001
North River Ins Co	PC-STK	NJ	971,070	453,759	3,318	187,537	215,016
North Star Reins Corp	PC-STK	DE	24,229	19,087	0	0	0
Northbrook Indemnity Co	PC-STK	IL	39,548	39,265	-0	83,621	0
Northern Assurance Co Of Amer	PC-STK	MA	321,109	180,271	1,426	149,420	80,941
Northern Ins Co Of NY	PC-STK	NY	61,645	29,394	1,749	120,219	0
Northfield Ins Co	PC-S/L	IA	374,283	122,304	4,527	104,078	76,103
Northland Casualty Co	PC-STK	MN	100,875	33,192	772	13,757	20,392
Northland Ins Co	PC-STK	MN	1,216,632	602,927	17,842	431,649	175,423
Northwestern Long Term Care Ins Co	LH-STK	WI	287,380	53,566	5,422	145,750	125,070
Northwestern Mutual Life Ins Co	LH-MUT	WI	156,332,490	12,105,970	326,600	13,823,621	13,092,239
Nova Casualty Co	PC-STK	NY	140,111	65,766	0	83,737	14,202
Nutmeg Ins Co	PC-S/L	CT	312,687	156,411	1,434	126,749	73,059
NYLIFE Ins Co Of AZ	LH-STK	AZ	178,118	36,053	1,391	72,494	39,493
Occidental Fire And Casualty Co Of NC	PC-STK	NC	256,414	158,532	274	126,202	45,579
Occidental Life Ins Co Of NC	LH-STK	TX	255,218	27,760	859	33,806	30,585
Odyssey Amer Rein Corp	PC-STK	CT	6,855,731	2,922,758	0	0	1,692,600
OHIC Ins Co	PC-STK	OH	247,475	77,227	0	23,902	-4,728
Ohio Casualty Ins Co	PC-STK	OH	4,581,055	1,356,432	7,653	572,244	1,335,345
Ohio Farmers' Ins Co	PC-MUT	OH	1,588,895	1,265,366	1,189	39,217	143,436
Ohio Indemnity Co	PC-STK	OH	110,765	45,065	2,895	72,496	45,782
Ohio National Life Assurance Corp	LH-STK	OH	2,690,966	188,621	15,467	451,034	293,787
Ohio National Life Ins Co	LH-STK	OH	13,004,213	794,948	125,800	2,811,933	2,859,732
Ohio Security Ins Co	PC-STK	OH	13,258	13,257	356	46,282	0
Ohio State Life Ins Co	LH-STK	TX	9,326	6,709	940	47,930	0
Old Amer Ins Co	LH-STK	MO	245,542	22,091	642	66,561	62,491
Old Reliance Ins Co	LH-STK	AZ	3,691	1,652	11	2,085	1,256
Old Republic Gen Ins Corp	PC-STK	IL	991,316	275,018	317	228,510	267,169
Old Republic Ins Co	PC-STK	PA	2,427,803	872,885	23,048	1,102,611	482,343
Old Republic Life Ins Co	LH-STK	IL	162,491	43,016	794	43,659	31,632
Old Republic National Title Ins Co	TITLE	MN	484,404	116,002	15,289	749,527	739,320
Old United Casualty Co	PC-STK	KS	365,925	145,850	1,322	112,576	85,244
Old United Life Ins Co	LH-STK	AZ	73,461	34,641	2,066	14,817	9,224
OM Fin Life Ins Co	LH-STK	MD	18,202,294	702,714	165,824	2,937,248	2,478,500
Omaha Indemnity Co	PC-STK	WI	24,767	15,624	0	0	-149
OneBeacon Amer Ins Co	PC-STK	MA	904,286	433,056	1,085	368,771	265,485
OneBeacon Ins Co	PC-STK	PA	3,494,072	1,639,875	2,484	131,135	874,159
OneNation Ins Co	LH-STK	IN	93,780	92,878	0	294	264
Optimum Re Ins Co	LH-STK	TX	65,528	23,511	0	0	32,324
Order Of United Comm Travelers Of Amer	FRAT	OH	18,612	3,996	1,649	65,107	6,063
Owners Ins Co	PC-STK	OH	2,371,220	850,963	0	1,157,223	1,043,677
Oxford Life Ins Co	LH-STK	AZ	535,777	124,178	1,112	22,892	36,724
Ozark National Life Ins Co	LH-STK	MO	586,247	87,126	67	96,118	93,279
Pacific Employers Ins Co	PC-STK	PA	2,385,908	694,525	1,766	50,551	619,722

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Pacific Indemnity Co	PC-STK	WI	5,636,176	1,842,863	6,935	624,722	1,544,128
Pacific Ins Co, Ltd	PC-S/L	CT	677,352	297,803	1,181	178,738	177,429
Pacific Life & Annuity Co	LH-STK	AZ	2,415,295	369,074	100	636,562	636,301
Pacific Life Ins Co	LH-STK	NE	96,551,166	3,707,975	594,136	15,382,311	11,574,803
Pacific Specialty Ins Co	PC-STK	CA	257,816	137,105	783	123,600	116,515
Pacificare Life And Health Ins Co	LH-STK	IN	896,092	552,192	8,137	1,325,913	1,326,311
PACO Assurance Co, Inc	PC-STK	IL	42,006	21,572	707	14,143	9,453
Pan-Amer Assurance Co	LH-STK	LA	22,387	16,491	298	52,200	31
Pan-Amer Life Ins Co	LH-STK	LA	1,582,708	306,483	1,857	185,673	161,333
PARIS Re Amer Ins Co	PC-STK	DE	55,753	51,979	0	2,561	25
Park Avenue Life Ins Co	LH-STK	DE	434,886	150,531	7	2,464	8,943
Parker Centennial Assur Co	LH-STK	WI	63,876	39,498	0	8,579	8,580
Partner Rein Co Of The US	PC-STK	NY	3,213,600	677,081	0	0	711,168
Partnerre Ins Co Of NY	PC-STK	NY	112,806	99,837	0	0	509
Partners Mutual Ins Co	PC-MUT	WI	42,299	15,072	6,806	33,385	28,727
Patriot General Ins Co	PC-STK	WI	22,168	21,047	939	34,668	0
Patriot Ins Co	PC-STK	ME	56,371	24,625	0	29,600	-14,501
Paul Revere Life Ins Co	LH-STK	MA	4,920,984	458,736	15,031	450,852	105,742
Paul Revere Variable Annuity Ins Co	LH-STK	MA	132,608	114,046	73	17,206	36
Peerless Indemnity Ins Co	PC-STK	IL	196,263	166,896	3,238	95,696	11,143
Peerless Ins Co	PC-STK	NH	6,025,003	1,470,308	2,684	1,043,989	2,634,627
Pekin Ins Co	PC-STK	IL	193,905	92,503	0	207,212	79,901
Pekin Life Ins Co	LH-STK	IL	818,304	120,349	251	216,411	210,098
Penn Ins And Annuity Co	LH-STK	DE	1,117,456	117,262	597	37,980	37,471
Penn Millers Ins Co	PC-STK	PA	183,665	50,795	505	94,073	73,884
Penn Mutual Life Ins Co	LH-MUT	PA	10,546,348	1,302,211	34,913	1,208,378	1,139,108
Penn treaty Network Amer Ins Co	LH-STK	PA	1,043,307	27,386	4,930	262,229	36,661
Penn-Amer Ins Co	PC-STK	PA	367,631	198,154	11	150,138	47,343
Penn-Star Ins Co	PC-S/L	PA	195,089	69,520	2,402	94,071	33,140
Pennsylvania General Ins Co	PC-STK	PA	472,682	190,143	-0	62,562	161,881
Pennsylvania Life Ins Co	LH-STK	PA	1,180,290	136,824	27,221	1,075,993	579,664
Pennsylvania Lumbermens Mut Ins Co	PC-MUT	PA	312,921	111,864	4,321	168,051	114,462
Pennsylvania Manu Assoc Ins Co	PC-STK	PA	678,819	207,555	1,645	346,866	231,780
Pennsylvania Manufacturers Indemnity Co	PC-STK	PA	205,696	67,786	217	77,895	77,260
Pennsylvania Nat'l Mutual Casualty Ins Co	PC-MUT	PA	1,059,355	439,921	5	496,538	299,650
Perico Life Ins Co	LH-STK	DE	50,960	31,606	1,235	45,914	46,803
Petroleum Casualty Co	PC-STK	TX	19,945	12,772	8	8,798	4,424
Pharmacists Life Ins Co	LH-STK	IA	37,175	6,812	73	4,391	2,776
Pharmacists Mutual Ins Co	PC-MUT	IA	197,396	68,168	2,998	105,960	90,083
Philadelphia Amer Life Ins Co	LH-STK	TX	187,709	19,547	16	88,098	56,867
Philadelphia Indemnity Ins Co	PC-STK	PA	3,328,324	1,169,049	38,294	1,604,606	1,394,058
Philadelphia Ins Co	PC-S/L	PA	201,028	78,996	653	42,818	73,371
Philadelphia-United Life Ins Co	LH-STK	PA	44,326	8,117	336	9,159	9,080
PHL Variable Ins Co	LH-STK	CT	5,342,708	167,436	37,614	1,146,959	1,052,236

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Phoenix Ins Co	PC-STK	CT	3,569,464	1,173,653	12,294	998,416	900,929
Phoenix Life And Annuity Co	LH-STK	CT	65,294	20,059	1,037	17,596	4,229
Phoenix Life Ins Co	LH-STK	NY	16,714,606	848,117	28,598	1,369,843	1,214,805
Physicians Ins Co of Wisconsin, Inc	PC-STK	WI	360,854	90,995	0	74,356	61,785
Physicians Life Ins Co	LH-STK	NE	1,290,550	84,503	3,617	252,558	187,872
Physicians Mutual Ins Co	LH-MUT	NE	1,389,129	760,027	3,814	352,296	421,751
Pioneer Mutual Life Ins Co	LH-STK	ND	458,569	29,432	850	39,333	32,510
Plans Liability Ins Co	PC-STK	OH	88,838	49,933	0	0	10,390
Platinum Under Reins, Inc	PC-STK	MD	1,466,389	547,963	0	0	365,739
Platte River Ins Co	PC-STK	NE	156,432	40,180	722	71,934	34,622
Plaza Ins Co	PC-STK	MO	10,645	10,284	0	0	0
PMA Capital Ins Co	PC-STK	PA	373,458	47,580	0	0	-9,308
PMI Ins Co	PC-STK	AZ	556,702	68,818	0	465	127,148
PMI Mortgage Ins Co	PC-STK	AZ	3,682,586	495,457	19,121	972,190	670,882
Podiatry Ins Co of Amer, a Mutual Co	PC-MUT	IL	266,390	80,787	1,692	84,583	94,825
Polish Falcons Of Amer	FRAT	PA	51,344	2,519	228	2,794	2,791
Polish National Alliance Of The USA	FRAT	IL	435,040	35,244	569	18,216	18,071
Polish National Union Of Amer	FRAT	PA	24,897	941	12	528	521
Polish Roman Catholic Union Of Amer	FRAT	IL	161,983	12,082	4,548	16,951	16,866
Polish Union Of Amer	FRAT	NY	15,198	155	0	434	400
Polish Union Of The US Of North Amer	FRAT	PA	8,761	2,363	1	153	151
Polish Women's Alliance Of Amer	FRAT	IL	53,544	2,512	99	1,516	1,515
Praetorian Ins Co	PC-STK	IL	1,290,261	461,022	5,924	705,434	401,154
Preferred Professional Ins Co	PC-STK	NE	305,144	118,642	239	128,032	62,286
Pre-Paid Legal Casualty	PC-STK	OK	26,762	23,409	31	51,915	51,915
Presidential Life Ins Co	LH-STK	NY	3,925,692	360,373	1,126	183,725	178,431
Primerica Life Ins Co	LH-MUT	MA	5,895,972	1,654,849	54,768	1,667,951	1,186,060
Princeton Excess & Surplus Lines Ins Co	PC-S/L	DE	132,652	52,222	4,541	143,208	17,282
Princeton Ins Co	PC-STK	NJ	1,012,875	269,833	0	217,421	188,409
Principal Life Ins Co	LH-STK	IA	135,714,882	3,697,486	959,997	25,988,421	25,907,032
Principal Nat'l Life Ins Co	LH-STK	IA	11,581	11,453	0	0	1
ProCentury Ins Co	PC-STK	TX	55,990	29,511	11	3,629	20,380
Producers Agriculture Ins Co	PC-STK	TX	103,102	32,955	2,909	303,703	56,690
Professional Ins Co	LH-STK	TX	97,315	30,395	4,668	66,294	66,294
Professional Solutions Ins Co	PC-STK	IA	12,475	9,171	1,907	6,564	-2
Professional Underwriters Liability Ins Co	PC-S/L	UT	133,974	69,473	622	32,482	-1,275
Professionals Advocate Ins Co	PC-STK	MD	96,606	43,561	0	42,462	9,081
Progressive Amer Ins Co	PC-STK	FL	343,125	133,172	0	760,645	167,407
Progressive Casualty Ins Co	PC-STK	OH	4,772,594	1,253,867	2,909	813,239	3,998,106
Progressive Classic Ins Co	PC-STK	WI	334,357	80,457	0	428,211	251,110
Progressive Preferred Ins Co	PC-STK	OH	587,011	160,074	0	737,372	502,221
Progressive Specialty Ins Co	PC-STK	OH	1,152,639	668,454	0	662,646	585,924
Prop & Cas Ins Co Of Hartford	PC-STK	IN	209,501	97,773	40,663	1,004,991	52,185
Property-Owners Ins Co	PC-STK	IN	131,294	62,362	599	68,910	65,864

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Protective Ins Co	PC-STK	IN	619,785	359,633	444	133,081	130,800
Protective Life & Annuity Ins Co	LH-STK	AL	620,997	37,998	4	71,260	78,546
Protective Life Ins Co	LH-STK	TN	25,800,880	1,796,945	139,912	4,294,682	2,616,976
Providence Assoc of the Ukra	FRAT	PA	14,989	3,678	2	480	474
Providence Prop & Cas Ins Co	PC-STK	OK	86,257	21,249	2,027	21,147	17,216
Providence Washington Ins Co	PC-STK	RI	172,683	36,903	0	1,315	-214
Provident Life And Accident Ins Co	LH-STK	TN	7,735,411	435,070	50,084	1,176,060	798,955
Pruco Life Ins Co	LH-STK	AZ	27,253,774	772,860	138,507	3,628,866	2,985,740
Prudential Annuities Life Assur Corp	LH-STK	CT	43,236,057	438,349	623,985	8,398,398	8,311,110
Prudential Ins Co Of Amer	LH-STK	NJ	252,761,435	6,980,795	381,576	23,906,304	20,723,045
Prudential Retirement Ins and Annuity Co	LH-STK	CT	61,437,059	945,615	137,268	10,688,002	10,806,740
Public Service Mutual Ins Co	PC-MUT	NY	669,339	275,945	5	139,728	145,943
Putnam Reins Co	PC-STK	NY	554,022	151,720	0	0	180,562
PXRE Reins Co	PC-STK	CT	275,889	139,641	0	0	2,417
Pyramid Life Ins Co	LH-STK	KS	462,013	150,491	16,944	1,144,368	902,586
QBE Ins Corp	PC-STK	PA	469,671	161,584	14,690	605,075	108,406
QBE Reins Corp	PC-STK	PA	1,258,549	569,153	0	0	482,206
QBE Spec Ins Co	PC-S/L	ND	44,897	28,054	-63	26,541	4,929
Quanta Indemnity Co	PC-STK	CO	231,835	84,493	103	274	1,772
Quanta Specialty Lines Ins Co	PC-S/L	IN	120,561	31,297	0	-18,257	-6,209
R & Q Reins Co	PC-STK	PA	288,294	25,348	0	0	1,499
R.V.I. Nat'l Ins Co	PC-STK	CT	15,286	14,382	0	142	6
Radian Asset Assurance, Inc	PC-STK	NY	2,529,831	1,137,380	21	135,585	259,185
Radian Guaranty, Inc	PC-STK	PA	4,067,712	184,399	34,325	972,013	780,499
Rampart Ins Co	PC-STK	NY	82,251	30,378	0	0	4
Reassure Amer Life Ins Co	LH-STK	IN	18,276,975	496,100	36,382	1,169,038	510,521
Red Mountain Casualty Ins Co Inc	PC-S/L	AL	53,442	24,134	221	6,693	0
Regent Ins Co	PC-STK	WI	280,617	85,611	3,341	245,498	116,559
Reliable Life Ins Co	LH-STK	MO	730,532	58,301	19	112,844	115,998
Reliance Standard Life Ins Co	LH-STK	IL	3,240,629	457,548	26,804	1,023,598	999,186
Reliastar Bankers Sec Life Ins Co OF NY	LH-STK	NY	3,251,995	286,950	1,483	534,122	450,940
Reliastar Life Ins Co	LH-STK	MN	22,384,571	2,325,927	143,476	3,052,047	2,257,635
Renaissance Life & Health Ins Co of America	LH-STK	DE	34,861	25,126	2,550	68,056	75,058
Republic Indemnity Co Of Amer	PC-STK	CA	891,224	323,044	0	100,608	226,038
Republic Indemnity Co Of CA	PC-STK	CA	40,128	22,417	0	140,877	6,991
Republic Mortgage Ins Co	PC-STK	NC	1,811,359	120,848	16,705	626,048	402,373
Republic Mortgage Ins Co of FL	PC-STK	FL	46,020	9,415	0	0	6,923
Republic Mortgage Ins Co of NC	PC-STK	NC	618,781	105,957	0	11,909	133,643
Republic Western Ins Co	PC-STK	AZ	247,649	110,197	427	19,297	28,311
Republic-Franklin Ins Co	PC-STK	OH	86,280	38,540	4	151,797	18,174
Resource Life Ins Co	LH-STK	IL	103,154	14,804	2,860	46,608	42,915
Response Worldwide Ins Co	PC-STK	CT	68,765	22,211	0	29,281	46,025
Retailers Employees Benefit Trust	MEWA	OH	968	646	1,907	1,907	1,907
Revios Reins Canada LTD	LH-USB	CA	28,329	22,166	0	0	-12,055

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
RGA Reins Co	LH-STK	MO	11,821,492	1,184,134	0	2,235	4,313,760
Riverport Ins Co	PC-STK	MN	78,344	35,407	405	57,864	9,860
RiverSource Life Ins Co	LH-STK	MN	79,870,147	2,820,441	490,357	11,903,081	11,720,207
RLI Indemnity Co	PC-STK	IL	41,511	36,897	0	12,380	563
RLI Ins Co	PC-STK	IL	1,351,885	752,004	6,924	326,497	253,280
Roche Surety & Casualty Co, Inc	PC-STK	FL	16,004	6,018	0	2,396	2,396
Rockhill Ins Co	PC-S/L	AZ	167,416	111,735	247	70,041	39,802
Royal Indemnity Co	PC-STK	DE	2,998,163	445,627	-191	-802	-1,845
Royal Neighbors Of Amer	FRAT	IL	683,224	244,359	7,372	127,629	50,583
RSUI Indemnity Co	PC-STK	NH	2,499,798	1,084,044	12,679	480,063	672,296
Rural Community Ins Co	PC-STK	MN	3,085,388	315,070	0	1,120,385	712,063
S.USA Life Ins Co, Inc	LH-STK	AZ	17,333	14,013	176	2,330	527
Safeco Ins Co Of Amer	PC-STK	WA	4,067,248	838,611	29,509	1,950,519	1,866,528
Safeco Ins Co Of IL	PC-STK	IL	671,062	185,498	40,284	1,316,506	282,807
Safeco Surplus Lines Ins Co	PC-S/L	WA	38,273	28,882	47	91,665	0
Safety First Ins Co	PC-STK	IL	15,460	12,600	132	3,354	967
Safety National Casualty Corp	PC-STK	MO	1,778,545	462,951	7,776	292,156	303,878
San Francisco Reins Co	PC-STK	CA	105,353	77,520	0	0	0
Savers Prop & Cas Ins Co	PC-S/L	MO	160,606	41,633	1,304	32,795	61,646
Savings Bank Life Ins Co of MA	LH-STK	MA	2,055,985	199,981	122	272,963	231,857
SBLI USA Mutual Life Ins Co, Inc	LH-MUT	NY	1,526,361	129,484	65	132,987	94,319
SCOR Global Life Re Ins Co of TX	LH-STK	TX	376,592	42,618	0	0	45,246
SCOR LIFE INS CO	LH-STK	TX	18,041	7,115	13	886	260
SCOR Life US RE Ins Co	LH-STK	TX	1,958,167	125,550	0	0	78,592
SCOR Reins Co	PC-STK	NY	1,475,427	491,655	0	0	196,825
Scottish Re Life Corp	LH-STK	DE	581,346	93,276	0	0	128,525
Scottsdale Indemnity Co	PC-STK	OH	22,195	17,426	561	87,381	0
Scottsdale Ins Co	PC-S/L	OH	1,595,697	534,038	9,209	1,222,207	621,744
Seaboard Surety Co	PC-STK	NY	154,528	130,986	44	13,362	2,366
SeaBright Ins Co	PC-STK	IL	675,196	256,322	332	268,089	262,633
Sears Life Ins Co	LH-STK	TX	73,651	51,351	2,573	68,704	31,773
Seaton Ins Co	PC-STK	RI	77,467	25,105	0	0	1
Seaworthy Ins Co	PC-STK	MD	54,923	28,189	170	31,182	31,399
Secura Ins, A Mutual Co	PC-MUT	WI	599,266	227,028	46,358	231,841	279,612
SECURA Supreme Ins Co	PC-STK	WI	74,798	32,302	18,246	104,082	31,068
Securian Casualty Co	PC-STK	MN	53,644	47,659	7	1,049	8,607
Securian Life Ins Co	LH-STK	MN	141,543	118,950	985	41,114	38,843
Security Benefit Life Ins Co	LH-STK	KS	12,341,315	602,362	44,896	1,692,173	1,657,553
Security Life Ins Co Of Amer	LH-STK	MN	96,471	24,647	1,582	63,748	135,732
Security Life Of Denver Ins Co	LH-STK	CO	24,221,950	1,305,671	25,106	6,315,482	7,136,261
Security Mutual Life Ins Co Of NY	LH-MUT	NY	2,116,279	114,730	4,157	351,962	228,376
Security National Ins Co	PC-STK	TX	35,636	15,355	0	56,324	0
Security National Life Ins Co	LH-STK	UT	329,294	17,875	60	33,939	36,733
Security Union Title Ins Co	TITLE	CA	83,986	46,565	5,208	63,558	63,649

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Select Ins Co	PC-STK	TX	64,970	64,626	0	-0	0
Selective Ins Co Of Amer	PC-STK	NJ	2,281,064	535,363	309	460,590	781,785
Selective Ins Co Of NY	PC-STK	NY	306,223	75,170	0	30,309	110,555
Selective Ins Co Of SC	PC-STK	SC	414,859	94,298	24,472	390,489	142,143
Selective Ins Co Of the Southeast	PC-STK	NC	322,346	77,832	9,053	277,162	110,555
Selective Way Ins Co	PC-STK	NJ	922,584	200,100	588	513,524	331,666
Seneca Ins Co	PC-STK	NY	318,435	127,723	2,413	103,682	98,587
Seneca Spec Ins Co	PC-S/L	AZ	26,902	24,785	654	20,606	2,061
Sentinel Ins Co, Ltd	PC-STK	CT	369,702	302,701	2,270	580,279	31,311
Sentry Casualty Co	PC-STK	WI	157,265	55,557	0	0	68,817
Sentry Ins, A Mutual Co	PC-MUT	WI	5,525,350	3,015,115	8,664	553,061	1,040,511
Sentry Life Ins Co	LH-STK	WI	3,338,038	261,692	6,461	365,831	345,598
Sentry Select Ins Co	PC-STK	WI	654,866	219,730	12,605	510,972	189,184
Sequoia Ins Co	PC-STK	CA	185,488	68,567	0	114,622	89,356
Serb National Federation	FRAT	PA	27,954	842	43	737	731
Service Ins Co	PC-STK	FL	22,601	13,345	19	50,473	6,155
Settlers Life Ins Co	LH-STK	WI	381,811	48,797	325	38,537	37,296
SFM Mutual Ins Co	PC-MUT	MN	336,309	66,976	2	100,389	105,193
Shelter Reins Co	PC-STK	MO	215,962	125,486	0	2,101	66,411
Shenandoah Life Ins Co	LH-MUT	VA	1,664,855	125,790	9,430	526,713	465,079
SilverScript Ins Co	LH-STK	TN	234,154	68,318	20,096	438,580	438,580
Slovak Catholic Sokol	FRAT	NJ	54,016	12,331	27	804	804
Slovak Gymnastic Union Sokol Of The US	FRAT	NJ	10,964	5,674	0	211	211
Slovene National Benefit Society	FRAT	PA	156,724	9,293	44	7,500	7,361
Society Ins, A Mutual Co	PC-MUT	WI	277,264	90,845	0	129,803	112,722
Sompo Japan Fire & Marine Ins Co	PC-STK	NY	65,420	64,308	0	135	128
Sompo Japan Ins Co of Amer	PC-STK	NY	770,799	349,848	5,425	182,182	63,341
Sons Of Norway	FRAT	MN	247,360	10,124	34	17,631	15,989
Southern General Ins Co	PC-STK	GA	66,123	25,294	0	65,626	55,851
Southern Ins Co	PC-STK	TX	10,208	8,349	428	110,931	0
Southern Security Life Ins Co	LH-STK	FL	n/a	n/a	n/a	n/a	n/a
SPARTA Ins Co	PC-STK	MA	257,737	255,634	0	1,490	1,426
Specialty Surplus Ins Co	PC-S/L	IL	35,406	17,334	0	-0	21
St. Paul Fire And Marine Ins Co	PC-STK	MN	19,842,696	6,881,107	29,568	2,045,410	4,670,846
St. Paul Guardian Ins Co	PC-STK	MN	76,423	25,943	609	46,300	25,710
St. Paul Medical Liability Ins Co	PC-STK	MN	198,416	59,637	0	950	52,329
St. Paul Mercury Ins Co	PC-STK	MN	261,366	59,363	10,679	596,543	102,839
St. Paul Protective Ins Co	PC-STK	IL	510,243	232,343	763	18,336	104,659
St. Paul Surplus Lines Ins Co	PC-S/L	DE	600,065	178,455	2,799	252,976	158,818
Standard Fire Ins Co	PC-STK	CT	3,750,201	1,422,079	4,039	1,486,416	871,698
Standard Guaranty Ins Co	PC-STK	DE	192,935	88,869	-8	168,061	144,258
Standard Ins Co	LH-STK	OR	13,265,338	1,014,381	51,140	3,382,970	3,388,629
Standard Life And Accident Ins Co	LH-STK	OK	531,349	210,946	6,412	146,655	145,703
Standard Life Ins Co Of IN	LH-STK	IN	1,988,892	106,200	23,045	599,087	594,679

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Standard Security Life Ins Co Of NY	LH-STK	NY	367,199	109,648	7,786	306,384	208,814
Starmount Life Ins Co	LH-STK	LA	24,769	11,725	15	33,630	38,318
Starnet Insurance Co	PC-STK	DE	163,575	105,869	2,272	133,856	13,278
State Auto Prop & Cas Ins Co	PC-STK	IA	1,604,496	615,962	8,451	614,057	721,894
State Automobile Mutual Ins Co	PC-MUT	OH	1,845,152	1,193,764	15,735	430,324	317,442
State Farm Annuity And Life Ins Co	LH-STK	IL	8,260	8,229	0	0	0
State Farm Fire And Casualty Co	PC-STK	IL	26,187,616	10,161,463	500,685	14,823,889	11,788,890
State Farm General Ins Co	PC-STK	IL	4,360,181	1,863,520	0	1,954,910	1,609,506
State Farm Life Ins Co	LH-STK	IL	43,307,957	5,255,532	106,476	3,771,264	3,770,522
State Farm Mutual Automobile Ins Co	PC-MUT	IL	104,842,398	63,577,269	1,094,160	28,434,556	32,019,137
State Life Ins Co	LH-STK	IN	2,504,181	150,799	8,507	134,582	233,163
State National Ins Co, Inc	PC-STK	TX	175,470	103,871	9,338	501,240	67,102
Steadfast Ins Co	PC-S/L	DE	760,822	539,663	17,371	1,330,878	0
Sterling Life Ins Co	LH-STK	IL	303,866	183,890	3,946	817,284	788,305
Stewart Title Guaranty Co	TITLE	TX	1,082,025	515,901	20,494	1,455,461	1,464,681
Stonebridge Casualty Ins Co	PC-STK	OH	289,833	120,145	9,061	215,154	132,154
Stonebridge Life Ins Co	LH-STK	VT	2,206,086	241,534	17,376	573,473	534,198
Stonewall Ins Co	PC-STK	RI	94,953	59,337	0	0	0
Stonington Ins Co	PC-STK	TX	384,124	124,870	10,397	335,589	146,876
Stratford Ins Co	PC-STK	NH	174,036	55,210	19	28,175	23,879
SUA Ins Co	PC-STK	IL	303,028	89,845	6,957	159,290	149,406
Suecia Ins co	PC-STK	NY	60,161	26,128	0	0	5
Sun Life and Health Ins Co	LH-STK	CT	119,235	35,290	14,520	675,398	-242,489
Sun Life Assurance Co of Canada (US)	LH-STK	DE	44,700,806	1,174,144	129,025	6,524,908	6,492,114
Sunamerica Life Ins Co	LH-STK	AZ	39,454,568	4,721,343	136	19,725	3,477
Sunset Life Ins Co Of Amer	LH-STK	MO	430,172	38,366	50	26,710	12,820
Supremem Council of the Royal Arcanum	FRAT	MA	67,057	15,449	3	2,218	2,183
Surety Life Ins Co	LH-STK	NE	12,600	11,607	541	54,941	1
Swiss RE Life & Health Amer Inc	LH-STK	CT	11,925,550	1,640,179	0	1,293	2,115,006
Swiss Reins Amer Corp	PC-STK	NY	14,245,829	4,065,027	0	0	2,053,177
Symetra Life Ins Co	LH-STK	WA	18,004,829	1,224,998	48,865	1,430,919	1,374,130
Symetra Nat'l Life Ins Co	LH-STK	WA	16,808	10,504	1	382	382
T.H.E. Ins Co	PC-STK	LA	174,051	54,578	1,493	61,719	49,124
Teachers Ins & Annuity Assoc Of Amer	LH-STK	NY	196,409,275	17,827,120	463,458	9,599,206	9,556,660
Teachers Ins Co	PC-STK	IL	311,368	117,929	9,823	214,500	201,116
Technology Ins Co, Inc	PC-STK	NH	401,438	132,652	350	357,390	95,639
Templeton Funds Annuity Co	LH-STK	MN	20,421	11,271	0	0	0
Texas Life Ins Co	LH-STK	TX	630,855	45,714	69	117,698	113,079
Thrivent Financial For Lutherans	FRAT	WI	53,474,099	4,433,621	180,230	3,355,446	3,304,043
Thrivent Life Ins Co	LH-STK	MN	3,664,564	178,076	4,683	118,505	118,169
TIAA-CREF Life Ins Co	LH-STK	NY	3,115,350	332,130	42,877	327,369	284,953
Ticor Title Ins Co	TITLE	CA	237,995	67,687	6,184	327,198	326,627
Ticor Title Ins Co of FL	TITLE	NE	120,872	25,586	1,869	83,543	83,321
TIG Indemnity Co	PC-STK	CA	26,051	22,448	0	0	0

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
TIG Ins Co	PC-STK	CA	2,061,585	738,419	44	-10,235	-10,988
Time Ins Co	LH-STK	WI	812,867	254,508	64,864	1,536,211	1,396,911
Titan Indemnity Co	PC-STK	TX	133,702	97,530	34,543	114,133	0
Title Ins Co Of Amer	TITLE	NE	15,414	11,667	0	11,954	11,897
Title Ins Co Of OR	TITLE	OR	64,001	32,041	0	55,064	61,021
TM Specialty Ins Co	PC-S/L	AZ	20,763	20,485	0	132	0
TNUS Ins Co	PC-STK	NY	58,227	48,840	0	0	-9,176
Toa Rein Co Of Amer (The)	PC-STK	DE	1,427,654	457,048	0	0	254,146
Tokio Marine & Nichido Fire Ins Co Ltd	PC-USB	NY	1,685,126	515,615	9,561	479,069	344,843
Tower Ins Co of NY	PC-STK	NY	661,014	215,252	143	405,917	223,489
Toyota Motor Ins Co	PC-STK	IA	306,521	85,177	1,177	107,295	67,289
Trans Pacific Ins Co	PC-STK	NY	59,829	44,616	648	16,385	33
Trans World Assurance Co	LH-STK	CA	331,959	67,120	286	13,903	15,594
Transamer Occidental Life Ins Co	LH-STK	IA	31,011,958	3,597,938	43,986	5,311,498	5,486,587
Transamerica Financial Life Ins Co	LH-STK	NY	17,771,745	813,295	87,897	3,305,562	3,616,995
Transamerica Life Ins co	LH-STK	IA	73,509,106	1,989,749	227,599	11,673,307	8,764,676
Transatlantic Reins Co	PC-STK	NY	12,633,236	3,368,801	0	0	3,430,677
Transguard Ins Co Of Amer	PC-STK	IL	207,403	81,046	252	90,777	46,873
Transnation Title Ins Co	TITLE	NE	159,578	22,335	34,119	274,830	276,608
Transport Ins Co	PC-STK	OH	45,560	16,238	0	0	0
Transportation Ins Co	PC-STK	IL	91,955	91,331	7,308	424,390	0
TravCo Ins Co	PC-STK	CT	196,799	67,467	0	252,321	48,669
Travelers Casualty & Surety Co Of Amer	PC-STK	CT	3,555,971	1,290,646	22,984	1,398,631	1,351,662
Travelers Casualty and Surety Co	PC-STK	CT	15,376,977	5,408,584	2,582	417,574	3,668,913
Travelers Casualty Co Of CT	PC-STK	CT	306,333	80,645	0	60,495	84,529
Travelers Casualty Ins Co of Amer	PC-STK	CT	1,740,101	432,447	485	97,685	492,184
Travelers Commercial Casualty Co	PC-STK	CT	320,450	87,430	464	24,960	84,529
Travelers Commerical Ins Co	PC-STK	CT	307,861	82,711	0	134,569	84,529
Travelers Excess & Surplus Lines Co	PC-S/L	CT	186,690	57,290	906	167,631	48,669
Travelers Home & Marine Ins Co	PC-STK	CT	196,797	67,783	0	764,998	48,669
Travelers Indemnity Co	PC-STK	CT	21,284,347	8,470,644	35,621	1,829,277	4,229,790
Travelers Indemnity Co Of Amer	PC-STK	CT	502,788	134,351	18,479	1,049,522	138,688
Travelers Indemnity Co Of CT	PC-STK	CT	987,959	329,006	26,164	1,126,777	247,007
Travelers Ins Co (Accident Dept)	PC-STK	CT	0	0	0	0	0
Travelers Personal Security Ins Co	PC-STK	CT	192,074	62,724	0	98,171	48,669
Travelers Prop Casualty Co of Amer	PC-STK	CT	263,502	91,431	85,929	4,058,221	65,140
Travelers Property Casualty Ins Co	PC-STK	CT	210,202	66,585	54	342,056	54,159
Travelers Protective Assoc Of Amer	FRAT	MO	11,291	9,721	67	584	584
Trenwick Amer Reins Corp	PC-STK	CT	168,217	38,248	0	0	1,031
Triad Guaranty Ins Corp	PC-STK	IL	962,256	197,713	4,605	339,006	277,878
Trinity Universal Ins Co	PC-STK	TX	3,239,794	1,145,422	0	202,376	1,791,198
Trinity Universal Ins Co of Kansas	PC-STK	KS	21,010	9,787	0	31,356	0
Tri-State Ins Co Of MN	PC-STK	MN	31,757	32,497	0	11,264	0
Triton Ins Co	PC-STK	TX	587,238	301,348	0	80,359	173,594

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
TruAssure Ins Co	LH-STK	IL	5,345	5,219	0	223	89
Truck Ins Exchange	PC-RECIP	CA	1,773,138	504,086	9,054	838,388	993,040
Trumbull Ins Co	PC-STK	CT	420,212	308,652	693	140,907	52,185
Trustmark Ins Co	LH-STK	IL	1,236,856	236,391	7,793	256,507	177,420
Trustmark Life Ins Co	LH-STK	IL	361,681	171,697	6,025	412,594	495,097
TT Club Mutual Ins Ltd	PC-S/L	NY	n/a	n/a	n/a	n/a	n/a
Tudor Ins Co	PC-S/L	NH	434,697	88,295	1,998	86,982	35,632
Twin City Fire Ins Co	PC-STK	IN	637,636	303,215	30,884	1,752,568	156,555
UBS Life Ins Co USA	LH-STK	CA	42,518	36,314	0	0	1,871
Ukrainian Fraternal Assoc	FRAT	PA	9,426	531	3	201	199
Ukrainian National Assoc	FRAT	NJ	68,923	6,773	457	4,447	4,416
ULLICO Casualty Co	PC-STK	DE	150,632	58,597	186	18,321	36,657
Underwriter For the Professions Ins Co	PC-STK	CO	273,979	88,560	0	40	14,513
Unicare Life & Health Ins Co	LH-STK	IN	1,725,805	344,935	83,519	2,568,092	2,534,505
Unified Life Ins Co	LH-STK	TX	95,288	12,392	2,735	31,165	19,461
Unimerica Ins Co	LH-STK	WI	150,182	60,084	999	144,836	143,525
Union Bankers Ins Co	LH-STK	TX	104,521	14,543	1,081	54,274	29,136
Union Central Life Ins Co	LH-STK	OH	7,284,871	321,059	27,459	1,023,206	925,803
Union Fidelity Life Ins Co	LH-STK	IL	18,204,149	414,434	1,873	84,496	347,608
Union Ins Co	PC-STK	IA	84,258	26,659	0	211,047	0
Union Labor Life Ins Co	LH-STK	MD	4,058,035	126,204	2,192	161,210	190,440
Union Security Ins Co	LH-STK	IA	7,195,167	438,924	43,255	1,307,427	1,268,649
UNION STANDARD INS. CO.	PC-STK	OK	21,076	20,931	0	0	0
Unione Italiana Reins Co Of Amer	PC-STK	NY	79,583	36,326	0	0	0
United Amer Ins Co	LH-STK	DE	1,309,632	168,471	19,763	1,139,268	957,902
United Casualty Ins Co Of Amer	PC-STK	IL	19,775	13,497	1,583	29,675	3,097
United Concordia Ins Co	LH-STK	AZ	71,416	41,942	2,399	258,939	143,161
United Family Life Ins Co	LH-STK	GA	80,305	17,563	204	12,092	2,537
United Financial Casualty Co	PC-STK	OH	1,764,001	416,075	0	698,918	1,260,574
United Fire & Casualty Co	PC-STK	IA	1,254,221	648,452	993	297,638	390,434
United General Title Ins Co	TITLE	CO	119,101	27,974	3,205	336,602	342,976
United Guaranty Commercial Ins Co	PC-STK	NC	229,289	55,442	924	96,888	45,963
United Guaranty Commercial Ins Co of NC	PC-STK	NC	288,394	41,373	0	17,852	64,990
United Guaranty Residential Ins Co	PC-STK	NC	1,907,961	495,512	19,511	695,144	426,665
United Guaranty Residential Ins Of NC	PC-STK	NC	734,095	194,170	838	228,811	204,829
United Healthcare Ins Co	LH-STK	CT	11,425,484	3,104,865	288,157	25,862,664	29,645,443
United Heritage Life Ins Co	LH-STK	ID	411,703	41,634	12	68,482	65,176
United Home Life Ins Co	LH-STK	IN	59,191	15,885	687	16,679	10,707
United Ins Co Of Amer	LH-STK	IL	2,055,249	204,197	8,594	227,915	220,260
United Investors Life Ins Co	LH-STK	MO	3,058,372	389,642	1,499	122,373	256,772
United Life Ins Co	LH-STK	IA	1,356,739	164,168	1,018	206,536	204,535
United National Casualty Ins Co	PC-STK	IN	38,026	25,453	0	0	6,937
United National Ins Co	PC-S/L	PA	773,996	452,545	2,173	155,179	110,995
United National Specialty Ins Co	PC-STK	WI	82,987	59,564	1	25,347	6,937

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
United Of Omaha Life Ins Co	LH-STK	NE	13,227,858	1,358,060	97,060	2,355,009	2,042,622
United Security Ins Co	PC-STK	CO	14,290	12,224	18	1,940	1,710
United Services Automobile Assoc	PC-RECI	TX	18,401,816	12,896,563	78,939	5,246,250	4,796,741
United Specialty Ins Co	PC-S/L	DE	49,497	24,629	180	18,586	25,808
United Teacher Associates Ins Co	LH-STK	TX	499,286	65,651	2,930	201,982	217,097
United Wisconsin Ins Co	PC-STK	WI	280,391	68,852	425	188,608	70,323
United World Life Ins Co	LH-STK	NE	91,904	22,557	10,840	246,519	2,631
Unitrin Auto & Home Ins Co	PC-STK	NY	165,935	29,011	0	425,192	41,298
Unitrin Direct Ins Co	PC-STK	IL	35,834	13,581	0	72,017	7,180
Unitrin Direct Prop & Cas Co	PC-STK	IL	53,702	14,375	15,790	153,114	15,202
Unitrin Preferred Ins Co	PC-STK	NY	47,052	15,195	0	98,814	9,164
Unity Mutual Life Ins Co	LH-MUT	NY	320,911	19,280	58	24,550	26,282
Univeral Underwriters Of TX Ins Co	PC-STK	TX	14,361	8,990	274	73,021	0
Universal Casualty Co	PC-STK	IL	96,216	29,357	0	103,709	51,448
Universal Fire & Casualty Ins Co	PC-STK	IN	7,562	5,837	531	2,064	2,064
Universal Surety Co	PC-STK	NE	132,663	95,869	0	5,355	2,818
Universal Surety Of Amer	PC-STK	TX	24,348	12,791	295	3,788	3,768
Universal Underwriters Ins Co	PC-STK	KS	418,322	342,933	20,476	849,067	0
Universal Underwriters Life Ins Co	LH-STK	KS	328,940	46,408	28	-7,326	-4,778
UNUM Life Ins Co Of Amer	LH-STK	ME	16,438,519	1,490,503	122,456	3,933,980	2,819,687
US Fidelity & Guaranty Co	PC-STK	MD	4,079,567	1,928,503	6,313	164,941	794,440
US Financial Life Ins Co	LH-STK	OH	543,684	45,431	14,387	293,061	78,836
US Fire Ins Co	PC-STK	DE	3,694,723	1,160,930	9,256	731,303	742,781
US Liability Ins Co	PC-STK	PA	481,398	296,095	4,938	167,028	-73,826
US Life Ins Co In The City Of NY	LH-STK	NY	5,314,659	472,399	11,580	873,922	902,894
US Specialty Ins Co	PC-STK	TX	945,515	277,064	16,369	487,875	344,973
USA Life One Ins Co Of IN	LH-MUT	IN	37,855	17,020	30	1,419	1,349
USAA Casualty Ins Co	PC-STK	TX	6,040,602	2,849,363	55,170	3,080,937	3,239,006
USAA General Indemnity Co	PC-STK	TX	358,339	152,020	225	302,498	196,570
USAA Life Ins Co	LH-STK	TX	10,862,262	965,126	14,064	1,450,469	1,154,034
Usable Life	LH-STK	AR	239,530	99,308	0	163,613	207,294
Utica Mutual Ins Co	PC-MUT	NY	2,187,614	764,482	3,139	244,530	539,161
Valiant Ins Co	PC-STK	DE	51,545	50,473	4	564	284
Valley Forge Ins Co	PC-STK	PA	58,840	58,828	19,122	645,822	0
Vanliner Ins Co	PC-STK	MO	479,808	118,555	3,610	170,594	152,304
Vantis Life Ins Co	LH-STK	CT	649,526	67,314	11	35,736	28,250
Variable Annuity Life Ins Co	LH-STK	TX	63,998,991	2,841,306	184,600	5,896,154	6,138,171
Verex Assurance	PC-STK	WI	27,395	15,315	1	139	251
Verlan Fire Ins Co	PC-STK	MD	26,212	17,063	1,037	17,688	9,070
Vesta Fire Ins Corp	PC-STK	IL	n/a	n/a	n/a	n/a	n/a
Vesta Ins Corp	PC-STK	IL	n/a	n/a	n/a	n/a	n/a
Victoria Ins Co	PC-S/L	TX	27,670	15,255	0	890	4,852
Vigilant Ins Co	PC-STK	NY	392,431	150,317	4,824	705,163	45,377
Virginia Surety Co, Inc	PC-STK	IL	1,135,060	250,372	3,618	449,983	298,553

# 2007 OFIR ANNUAL REPORT

(amounts in thousands of dollars)

Foreign Regulated Entities	Type	Domicile	Assets	Surplus	Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
Vision Service Plan Ins Co	PC-STK	CT	387,239	319,899	31,386	557,209	557,209
Voyager Indemnity Ins Co	PC-S/L	GA	88,479	27,263	20	115,356	28,801
Warner Ins Co	PC-STK	CT	30,950	21,730	0	26,126	8,630
Washington International Ins Co	PC-STK	AZ	100,063	53,864	828	42,365	8,520
Washington National Ins Co	LH-STK	IL	2,473,581	435,586	7,533	426,630	419,902
Wausau Business Ins Co	PC-STK	WI	176,625	50,210	7,847	389,348	48,598
Wausau Underwriters Ins Co	PC-STK	WI	233,033	90,797	12,581	627,573	48,598
Wellcare Health Ins Of AZ, Inc	LH-STK	AZ	152,303	65,621	15,168	287,366	287,123
WellcarePrescription Ins, Inc	LH-STK	FL	345,194	163,979	37,224	1,111,744	1,111,744
Wesco Ins Co	PC-STK	DE	97,938	31,803	2,487	161,970	8,005
West Amer Ins Co	PC-STK	IN	271,633	213,876	11,148	600,295	0
West Bend Mutual Ins Co	PC-MUT	WI	1,509,767	510,913	7,245	651,603	671,912
West Coast Life Ins Co	LH-STK	NE	3,130,421	299,377	19,469	760,787	275,197
Westchester Fire Ins Co	PC-STK	NY	2,542,890	802,933	11,956	438,058	515,183
Westchester Surplus Lines Ins Co	PC-S/L	GA	367,892	157,637	7,249	623,078	26,779
Western Agricultural Ins Co	PC-STK	IA	135,417	55,831	8,415	244,947	66,464
Western And Southern Life Ins Co	LH-MUT	OH	8,832,318	3,705,965	9,996	296,646	370,897
Western Catholic Union	FRAT	IL	272,059	4,136	2	106,471	106,288
Western Diversified Casualty Ins Co	PC-STK	NE	21,109	20,951	-3	-3	0
Western Fraternal Life Assoc	FRAT	IA	209,266	18,658	510	15,130	14,719
Western General Ins Co	PC-STK	CA	103,037	31,694	524	119,003	67,558
Western Heritage Ins Co	PC-S/L	AZ	104,080	88,441	691	179,559	0
Western Reserve Life Assurance Co Of OH	LH-STK	OH	11,768,905	488,703	16,014	1,084,021	1,013,498
Western Surety Co	PC-STK	SD	1,083,774	442,225	9,586	354,507	424,263
Western World Ins Co	PC-S/L	NH	1,013,367	294,299	2,895	147,775	191,285
Western-Southern Life Assurance Co	LH-STK	OH	9,294,094	693,651	49,584	1,789,570	1,701,770
Westfield Ins Co	PC-STK	OH	2,235,509	727,275	56,810	1,341,115	1,019,988
Westfield National Ins Co	PC-STK	OH	474,763	178,957	210	261,954	207,185
Westport Ins Corp	PC-STK	MO	1,110,640	293,508	10,315	583,057	80,511
Westport Ins Corp	PC-STK	MO	10,594,632	3,062,013	959	174,512	-557,103
Westward Life Ins Co	LH-STK	AZ	23,666	19,958	32	3,024	951
William Penn Assoc	FRAT	PA	188,435	26,555	316	8,902	8,861
Wilton Reass Life Co of NY	LH-STK	NY	1,219,486	93,361	221	95,906	58,546
Wilton Reassur Co	LH-STK	MN	433,471	116,832	0	0	92,971
Woodmen Of The World Life Ins Society	FRAT	NE	7,647,374	916,734	546	652,802	643,410
Work First Casualty Co	PC-STK	DE	24,026	10,675	0	17,366	16,533
Workmen's Benefit Fund Of The USA	FRAT	NY	37,189	1,035	1	1,596	1,401
World Corp Ins Co	LH-STK	NE	23,198	22,236	8	1,636	1,636
World Ins Co	LH-STK	NE	231,501	116,376	7,500	173,979	171,953
XL Capital Assurance Inc	PC-STK	NY	653,987	191,983	381	256,010	6,381
XL Ins America, Inc	PC-STK	DE	542,736	211,573	10,374	327,582	78,640
XL Ins Co Of New York, Inc	PC-STK	NY	155,575	56,982	0	0	23,592
XL Life Ins & Annuity Co	LH-STK	IL	736,669	26,051	-0	16	0
XL Re Life America Inc	LH-STK	DE	57,551	49,460	0	58	2,223

## 2007 OFIR ANNUAL REPORT

*(amounts in thousands of dollars)*

					Michigan Direct Premiums Written	Total Direct Premiums Written	Total Net Premiums Written
<b>Foreign Regulated Entities</b>	Type	Domicile	Assets	Surplus			
XL Reins Amer Inc	PC-STK	NY	5,027,625	2,044,480	0	49,231	511,170
XL Select Ins Co	PC-S/L	OK	118,256	46,809	2,236	19,496	15,728
XL Specialty Ins Co	PC-STK	DE	555,492	151,595	23,423	1,439,359	47,185
Yosemite Ins Co	PC-STK	IN	558,608	465,294	737	41,827	58,633
Zale Indemnity Co	PC-STK	TX	14,498	10,532	16	3,434	3,526
Zale Life Ins Co	LH-STK	AZ	12,128	9,645	4	2,445	1,663
ZC Specialty Ins Co	PC-S/L	TX	105,758	90,364	0	2,692	-6
Zenith Ins Co	PC-STK	CA	2,252,913	451,095	56	626,802	703,140
Zurich Amer Ins Co Of IL	PC-STK	IL	63,392	43,798	2,777	121,891	0
Zurich American Ins Co	PC-STK	NY	31,808,017	6,744,712	103,296	5,533,720	5,864,798
Zurich Specialties London Limited	PC-S/L	NY	n/a	n/a	n/a	n/a	n/a
Totals:	1,375		6,018,141,083	817,583,455	26,799,966	1,079,092,213	1,015,540,199

## APPENDIX E

### RECEIVERSHIP STATISTICAL INFORMATION

#### FINANCIAL AND CLAIMS STATISTICS: DOMESTIC COMPANIES IN RECEIVERSHIP (AS OF 12-31-07)

	<b>American Commercial</b>	<b>Amer. Way Casualty (1)</b>	<b>Amer. Way Life(1)</b>	<b>Cadillac Insurance</b>	<b>First Security Casualty</b>
Assets	\$ 7,115,330	\$ 39,575	\$ 285,014	\$ 32,145,199	\$ 19,352
Liabilities	\$ 7,230,362	\$ 3,340,931	\$1,000,000	\$ 35,495,558	\$ 1,206,826
Net Worth	\$ (115,032)	\$ (3,301,356)	\$ (714,986)	\$ (3,350,359)	\$ (1,187,474)
Claims Rec'd	6,989	N/A	N/A	21,069	276
Claims Settled	6,793	N/A	N/A	19,769	276
Claims Denied	0	N/A	N/A	0	0
Claims Open	196	N/A	N/A	1300	0
Amount Paid (2)	\$ 15,753,215	N/A	N/A	\$ 27,790,676	\$ 876,415
Outstanding (3)	\$ 998,929	N/A	N/A	\$ 7,576,488	\$ 0

	<b>Confederation Life</b>	<b>Great Lakes</b>	<b>Mid-America Life</b>	<b>Lincoln Mutual</b>	<b>National Foot Care Program</b>
Assets	\$ 0	\$ 3,351,932	\$ 3,886,305	\$ 7,122,479	\$ 1,081,112
Liabilities	\$ 0	\$ 20,009,750	\$ 4,653,184	\$ 12,926,759	\$ 2,364,579
Net Worth	\$ 0	\$ (16,657,818)	\$ (766,879)	\$ (5,804,280)	\$ (1,283,467)
Claims Rec'd	N/A	11,049	2,666	2,646	0
Claims Settled	N/A	9,538	389	2,456	0
Claims Denied	N/A	1,290	264	0	0
Claims Open*	N/A	0	0	190	0
Amount Paid (2)	N/A	\$ 30,890,445	\$ 5,956,241	\$ 5,628,459	\$ 0
Outstanding (3)	N/A	\$0	\$ 0	\$ 7,281,625	\$ 0

	<b>Michigan HMO</b>	<b>Ultimed HMO</b>	<b>The Wellness Plan (1)</b>
Assets	\$ 215,726	\$ 105,867	\$ 42,767,392
Liabilities	\$ 2,121,989	\$ 7,224,633	\$ 6,876,684
Net Worth	\$ (1,906,263)	\$ (7,118,766)	\$ 35,890,708
Claims Rec'd	3	4,253	N/A
Claims Settled	110	2,734	N/A
Claims Denied	118	1,519	N/A
Claims Open	2	0	N/A
Amount Paid	\$ 14,677,233	\$ 0	N/A
Outstanding	\$ 174,204	\$ 0	N/A

N/A = Not Applicable or Not Available  
Claims data is for companies in liquidation only.

- (1) American Way Casualty, American Way Life and The Wellness Plan are in rehabilitation. The guaranty funds do not pay claims while companies are in rehabilitation. Therefore, the claims data is not applicable.
- (2) Amounts paid by guaranty funds.
- (3) Outstanding Reserve.

# ANNUAL REPORT

To Governor Jennifer M. Granholm  
2007



State of Michigan

Office of Financial & Insurance Regulation  
Ken Ross, Commissioner

Department of Labor & Economic Growth  
Keith W. Cooley, Director